

***United States Court of Appeals
for the Second Circuit***



**SUPPLEMENTAL
APPENDIX**

Original w/affidavit of
mailing
74-2328 et al. *B*
13/5

United States Court of Appeals

FOR THE SECOND CIRCUIT

Docket Nos. 74-2328 et al.

UNITED STATES OF AMERICA,

Appellee,

—v.—

HARRY BERNSTEIN, ET AL.,

Defendants-Appellants.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

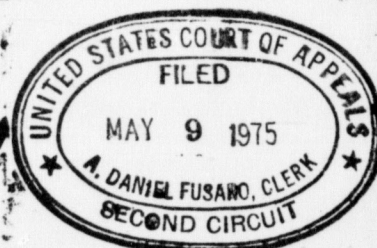
**JOINT SUPPLEMENTAL APPENDIX
VOLUME VII — PAGES D-1 TO D-126**

DAVID G. TRAGER, ESQ.
*United States Attorney for the
Eastern District of New York*
United States Courthouse
Brooklyn, New York 11201
(212) 596 - 5700

FRANK RAICHLE, ESQ.
*Attorney for Appellants Harry Bern-
stein, Rose Bernstein and Eastern
Service Corporation*
10 Lafayette Square
Buffalo, New York 14203
(716) 352 - 7587

HENRY J. BOITEL, ESQ.
Attorney for Appellant Florence Bzhar
233 Broadway
New York, New York 10007
(212) RE 2 - 8104

JOHN A. KISER, ESQ.
Attorney for Appellant Melvin Cardona
36 West 44th Street
New York, New York 10036
(212) 682 - 2920



PAGINATION AS IN ORIGINAL COPY

TABLE OF CONTENTS

	PAGE
Mortgagee's Application for Mortgage Insurance (FHA Form 2900-1) containing statements alleged to be false circled in red (pertaining to Count 25 as submitted to the jury)	D- 1
FHA Manual Volume X Mortgagees' Handbook Chapter I	D- 2
Sentencing Minutes of Florence Behar	D-39
Denial of Joint Petitions for Writs of Mandamus dated April 27, 1973 (Dkt. 73-1591)	D-55
Denial of Petition for Rehearing en banc, dated June 28, 1973 (Dkt. 73-1591)	D-56
Trial Testimony of Cecilia Cardona (R. 18562-18630)	D-57

MORTGAGEE'S APPLICATION FOR MORTGAGE INSURANCE
(FHA FORM 2900-1) CONTAINING STATEMENTS ALLEGED
TO BE FALSE CIRCLED IN RED (PERTAINING TO COUNT
25 AS SUBMITTED TO THE JURY)

For the convenience of Court and Counsel
this exhibit is reproduced on the
following page

FHA Manual Volume X
Mortgagees' Handbook
Chapter I

FHA MANUAL VOLUME X



MORTGAGEES' HANDBOOK

FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D.C.

1. MORTGAGEE'S APPLICATION FOR MORTGAGOR APPROVAL AND COMMITMENT FOR MORTGAGE INSURANCE UNDER THE NATIONAL HOUSING ACT <input type="checkbox"/> SEC. 203(b) <input checked="" type="checkbox"/> SEC. 203(a)		3. PROPERTY ADDRESS 416 52nd Street Brooklyn, Kings County, New York	
5. MORTGAGEE - Name, Address & Zip Code Eastern Service Corporation 175 Fulton Avenue Hempstead, New York		4. MORTGAGORS: Husband: Julia Oquendo Address: 1263 Evergreen Avenue Bronx, New York Married <input checked="" type="checkbox"/> Yrs. No. of Dependents 0 Ages Mortgage Amount: \$14,900.00 Interest Rate: 7.5% No. of months: 300 Monthly Payment: \$110.11 APPLIED FOR →	
7. PURPOSE OF LOAN: Mortgagor will be: <input type="checkbox"/> Finance Constr. <input checked="" type="checkbox"/> on Own Land <input checked="" type="checkbox"/> Occupant <input type="checkbox"/> Finance <input checked="" type="checkbox"/> Purchase <input type="checkbox"/> Landlord <input type="checkbox"/> Refinance <input type="checkbox"/> Exist. Loan <input type="checkbox"/> Builder <input type="checkbox"/> Finance Impr. <input type="checkbox"/> to Exist. Prop. <input type="checkbox"/> Escrow Commit. Mortgagor <input type="checkbox"/> Other		9. MONTHLY INCOME Husband's base pay \$1,040.81 Other Earnings (explain) _____ Wife's base pay _____ Other Earnings (explain) _____ Gross Income, Real Estate _____ Other (explain) _____ TOTAL \$1,040.81	
8. EMPLOYMENT Husband's occupation: Self employed Employer's name & address: Dressmaker 1263 Evergreen Avenue Bronx, New York years employed 4 Wife's occupation: _____ Employer's name & address: _____ years employed _____		11. PREVIOUS MONTHLY FIXED CHARGES Federal, State & Local income taxes \$85.00 Prem. for \$ _____ Life Insurance _____ Social Security & Retirement Payments 14.50 Installment account payments _____ Operating Expenses, other Real Estate _____ Other (explain) _____ TOTAL \$99.50	
10. PREVIOUS MONTHLY HOUSING EXPENSE Mortgage payment or rent \$85.00 Fire Insurance _____ Taxes, special assessments _____ Maintenance _____ Heat & Utilities _____ Other (explain) _____ TOTAL \$85.00		13. LIABILITIES Automobile: NONE \$ _____ Debts, other Real Estate _____ Life Insurance Loans _____ Notes payable _____ Credit Union _____ Retail accounts _____ TOTAL \$ _____	
12. ASSETS FOR CLOSING Cash accounts: Banco Popular \$1,014.16 Marketable securities _____ Other (explain) _____ OTHER ASSETS (A) TOTAL \$1,014.16 Cash deposit on purchase 1,000.00 Other (explain) furniture & household 5,000.00 (B) TOTAL \$7,014.16		15. SETTLEMENT REQUIREMENTS (a) Existing debt (Refinancing only) \$ _____ (b) Sale price (Realty only) 14,503 15,100.00 (c) Repairs & Improvements broker to do _____ (d) Closing Costs broker to pay 597 _____ (e) TOTAL (a + b + c + d) 15,100 15,100.00 (f) Mortgage amount 14,900 14,900.00 (g) Mortgagor's required investment (e-f) 200 200.00 (h) Prepayable expenses 305 305.00 (i) Non-realty & other items 508 505.00 (j) TOTAL REQUIREMENTS (g+h+i) 508 505.00 (k) Amt. pd. <input type="checkbox"/> cash <input type="checkbox"/> Other (explain) 1,000.00 (l) Amt. to be pd. <input type="checkbox"/> cash <input type="checkbox"/> Other (explain) 0 (m) Tot. assets available for closing (12(A)) 0	
14. FUTURE MONTHLY PAYMENTS (a) Principal & Interest 108.63 \$110.11 (b) FHA Mortgage Insurance Premium 6.24 6.17 (c) Ground rent (Leasehold only) _____ (d) TOTAL DEBT SERVICE (a+b+c) 114.77 116.28 (e) Fire Insurance 7.00 (f) Taxes, special assessments 25.00 (g) TOTAL MTG. PAYT. (d+e+f) 147 149.28 (h) Maintenance 18.00 (i) Heat & utilities 45.00 (j) TOTAL HSG. EXPENSE (g+h+i) 211.0 211.28 (k) Other recurring charges (explain) 30.00 (l) TOTAL FIXED PAYT. (i+k) 241.0 \$241.28		16. Do you own other Real Estate <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Is it to be sold <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FHA or VA Mgt. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Sales Price \$ _____ Orig. Mtg. Amt. \$ _____ Unpaid Bal. \$ _____ Address NONE 2 YRS. Lender _____	
17. MORTGAGOR'S CERTIFICATE - Have you sold property within the last 12 months which had an FHA or VA mortgage? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. If "Yes" give FHA Case No. _____; Buyer's Name _____ Did buyer intend to occupy <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. Property Address _____ Sales Price \$ _____ Orig. Mtg. Amt. \$ _____ Unpd. Bal. when sold \$ _____ Have you ever been obligated on a home loan, or a home improvement loan which resulted in foreclosure, deed in lieu of foreclosure, or judgment? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. If "Yes" give: Property Address _____; Name & address of Lender _____ If dwelling to be covered by the mortgage is to be for rent - is it a part of, adjacent or contiguous to any project subdivision or group of rental properties involving eight or more dwelling units in which you have any financial interest <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. If "Yes" give details. Do you own four or more dwelling units insured under any title of the National Housing Act? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. If "Yes" submit Form 2561. The mortgagor certifies that all information in this application is given for the purpose of obtaining a loan to be insured under			

Blow's Income Tax Service

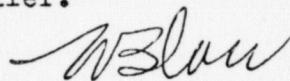
NOTARY PUBLIC - FORMER U. S. GOVERNMENT AUDITOR
KILPATRICK 2-1445

Taxes - Audits - Payrolls - Openings - Closings

866 MANHATTAN STREET
BRONX 59, NEW YORK

JANUARY 31, 1969

The attached financial statements reflect the business activity of MARIA OQUENDO D/B/A a DRESS MANUFACTURER at 1263 EVERGREEN AVE. BRONX, N.Y.; for the period of JANUARY 1, 1968 thru DECEMBER 31, 1968. They were prepared from information submitted to me by MISS OQUENDO and are true and accurate to the best of my knowledge and belief.



W. BLOW

MARIA OQUENDO
DRESS MANUFACTURER
1263 EVERGREEN AVE.
BRONX, N.Y.

BALANCE SHEET

Period of JANUARY 1, 1968 thru DECEMBER 31, 1968

ASSETS

CASH ON HAND	\$	47
ACCOUNTS RECEIVABLE		72
FINISHED ORDERS		189
MATERIALS & SUPPLIES		67
MACHINERY (LESS DEPRECIATION)		814
HOUSEHOLD BELONGINGS		500
		<u>1690</u>

LIABILITIES & NET WORTH

PERSONAL DEBTS	\$	189.00	
CURRENT BUSINESS LIABILITIES		320.75	
BUSINESS ACCOUNTS PAYABLE		<u>465.00</u>	
NET WORTH			97
			1592
			<u>\$ 1690</u>

I hereby certify that the foregoing figures and the statements contained herein, submitted by me for the purposes of obtaining mortgage insurance under the National Housing Act, are true and give a correct showing of this date.

Maria Oquendo

5.00
0.00
0.00
5.00
2.15
0.00
2.15

4.75
7.40
2.15

on-
tgage
rrect

2-

MORTGAGEES' HANDBOOK

HOME MORTGAGE PROGRAMS



FHA MANUAL
VOLUME X

FEDERAL HOUSING ADMINISTRATION
WASHINGTON 25, D. C.

Original edition September 1946
Revised January 1950
Revised July 1952
Revised January 1956
Revised July 1958
Revised September 1962

NOTICE

The Mortgagees' Handbook is of loose-leaf construction and will be revised from time to time by appropriate pages as necessary.

Additional copies of the Mortgagees' Handbook are available and may be purchased through the Superintendent of Documents, Government Printing Office, Washington 25, D.C., at the cost of \$1.75

Federal Housing Administration
Washington, D. C.

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK

FOREWORD

This is a reference book to assist approved mortgagees operating under the home mortgage sections of the National Housing Act.

FHA Regulations for these programs describe the minimum requirements of a mortgage for insurance. The eligibility of a specific application, however, can be determined only after complete analysis by the FHA field office with jurisdiction.

Full information regarding insurance under the multi-family titles and sections of the National Housing Act may be obtained from FHA field offices and from multi-family publications listed in Appendix V.

We hope the information in this handbook will be helpful in the preparation of home mortgage insurance applications, will expedite processing, and will answer numerous questions of fact and policy normally encountered by mortgagees during the life of an insured mortgage.

Neal J. Hardy
Commissioner

FHA MANUAL
FEDERAL HOUSING ADMINISTRATION

9/62 VOLUME X - MORTGAGEES' HANDBOOK

GENERAL TABLE OF CONTENTS

Title	Chapter
Applications	I
Commitments	II
Compliance Inspections	III
Endorsement for Insurance	IV
Amendments Prior to and After Insurance of the Mortgage or Loan	V
Fee Billing	VI
Handling of Insured Mortgages	VII
Methods of Applying Partial Prepayments	VIII
Prepayments and Voluntary Terminations	IX
Mortgage Transfers, or Changes of Servicing	X
Fees and Charges Collectible by Mortgagees	XI
Secondary Market	XII
Mutual Mortgage Insurance	XIII
Servicing	XIV
Reporting Default Status of Home Mortgages	XV
Filing Application for Insurance Benefits	XVI
Debenture Characteristics	XVII
Certificate of Claim	XVIII
Miscellaneous Rulings and Procedures	XIX

Appendix

Fee Chart - Home Mortgage and Improvement Loan Insurance	I
FHA Case Numbering System	II
FHA Field Offices	III
Jurisdictional Map of Field Offices	IV
Publications	V
State and Field Office Code Number, By City	VI

FEDERAL HOUSING ADMINISTRATION

9/62 MORTGAGEES' HANDBOOK - CHAPTER I

101. Approved mortgagees submit applications for mortgage insurance to the FHA field office having jurisdiction over the area in which the property described in the application is located. A separate application must be submitted for each property if construction has already started or if construction has been completed. An application may be for a conditional commitment or for a firm commitment, depending upon the specific circumstances of the transaction.
102. Application and extension fees should not be forwarded to FHA Insuring Offices for applications received initially on and after January 1, 1962. Mortgagees will be billed monthly for such fees by the Assistant Commissioner-Comptroller, and the fees should be paid in a single remittance, in accordance with the instructions appearing on the Fee Billing Statement. Extension fees should continue to be forwarded to Insuring Offices in connection with applications received prior to January 1, 1962. (For fees, see Appendix I)
103. Application for conditional commitment is submitted in a case when the mortgagor is unknown and, therefore, cannot be specified in the application. The Federal Housing Administration agrees in a conditional commitment to insure a mortgage in the amount and under the terms specified, provided a borrower is obtained who is satisfactory to FHA.
104. Application for firm commitment is submitted when the mortgagee desires an agreement by the FHA to insure a mortgage on a specified property, with a specified mortgagor, in an amount and on terms to be stipulated in the commitment.
105. Application for conditional commitment, or an operative builder firm commitment, may include a request for approval of alternates to the basic dwelling

FEDERAL HOUSING ADMINISTRATION

9/62 MORTGAGEES' HANDBOOK - CHAPTER I

105.

when the mortgagee desires an agreement by the FHA as to the effect that inclusion or exclusion of such alternatives will have upon the FHA estimate of value. The mortgagee exercising such option will include FHA Form 2004m, Supplement to Mortgagee's Application for Commitment (see Exhibit 1-c).

106. Application for firm commitment to insure a one-to-four family home improvement loan is made when the lender desires an agreement by the FHA to insure a loan on a specified property, with a specified borrower, in an amount and on terms to be stipulated in the commitment.

107. Application for firm commitment with escrow provisions is made when the mortgagee and mortgagor named in the application, in order to facilitate financing and to provide for the avoidance of duplicate closing costs, desire an agreement by the FHA to insure a mortgage on a one or two-family residence executed by a non-occupant mortgagor in the same amount as that available to an owner-occupant.

108. Application for firm commitment to insure a mortgage loan for refinancing purposes involving property already owned by the applicant is made when the mortgagee desires an agreement by the FHA to insure a mortgage on the specified property, with the specified mortgagor, in an amount and on terms to be stipulated in the commitment. The maximum insurable mortgage is the amount required to cover any existing indebtedness in connection with the property plus the cost of repairs, alterations, additions to the property, and the costs of obtaining the loan; or 85% of the amount of the mortgage available to an owner-occupant, whichever is the greater.

109. Application for home mortgage insurance is made on FHA Form 2004, Mortgagee's Application for Commitment (see Exhibit I-a). Each application must

FEDERAL HOUSING ADMINISTRATION

9/62 MORTGAGEES' HANDBOOK - CHAPTER I

109.

be accompanied by a Mortgagee's Application Transmittal, FHA Form 2004k, which lists all documents and exhibits required for a firm or conditional commitment on proposed or existing construction and for refinancing. (See Exhibit I-b-1). When an escrow commitment is desired, the application documents must include Form No. 314 (see Exhibit I-b-2). The Notices of Acceptance of Application for Commitment, Forms 2004p, are underlays to Form 2004k and are returned to the mortgagee by the FHA field office after insertion of the FHA Case Number (see Exhibit I-b-3).

110. Application for insurance of a one-to-four family home improvement loan is made on Form 2004-1 (see Exhibit I-d) and accompanied by:

- (a) Form 2004c-1, Supplement to Application for One-to-Four Family Home Improvement Loan (see Exhibit I-f);
- (b) Form 2004f, Verification of Deposit (see Exhibit I-h);
- (c) Form 2004g, Verification of Employment (see Exhibit I-i);
- (d) A credit report (see Exhibit I-g);
- (e) Necessary drawings and specifications; and
- (f) A copy of the contractor's bid or cost estimate if a contractor is not employed.

111. Application for the insurance of open-end advances should be submitted on Form 2004-OE (see Exhibit I-h).

112. The term of the mortgage, in the case of existing properties, will be not less than 10 nor more than 30 years from the date of the beginning of amortization of the mortgage. A term of 35 years is permissible under certain conditions (see FHA Home Mortgage

FEDERAL HOUSING ADMINISTRATION

9/62 MORTGAGEES' HANDBOOK - CHAPTER I

112. Regulations, Section 203.17). In the case of insured home improvement loans, the term may be 3, 5, 7, 10, 12, 15, 17, or 20 years from the date of the beginning of amortization of the loan.
113. The term of the mortgage in the case of a proposed property will be not less than 10 nor more than 35 years if the property is approved for insurance by the Commissioner prior to the beginning of construction.
114. The maximum mortgage term will not exceed the term set forth above, or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser.
115. The principal amount must be in multiples of \$100, except that loans up to \$15,000 may be in multiples of \$50 if amortized over 20, 25, 30, or 35 years. Section 203(k) loans may be in multiples of \$50 if the principal amount of the loan is \$10,000 or less.
116. The maximum interest rate, mortgage amount and term on mortgages and home improvement loans are reflected in Exhibit I-m.
117. To be eligible for insurance, the application for insurance of a one-to-four family home improvement loan must cover:
- (a) a residential structure used or to be converted for use as a dwelling for not more than four families; and
 - (b) a residential structure which has been constructed not less than 10 years prior to the date of the application for commitment unless, as determined by the Commissioner, the proceeds

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK - CHAPTER I

117.(b)

of the loan are or will be used primarily for major structural improvements or to correct defects which were not known at the time of completion of the structure, or which were caused by fire, flood, windstorm or other casualty. Primarily for major structural improvements means structural improvements must be first in importance in the use of the loan funds and that the structural improvements must be major in effect on the structure; such as, but not limited to, foundation work, reconstruction, replacement or addition of walls, partitions or members, girders, joists or columns or reconstruction of ceilings.

118. The Agreement with Respect to FHA Valuation must be executed on applications for conditional commitments involving one or two-family dwellings.

The Construction Warranty agreement shown on Form 2004 should be executed on applications relating to proposed construction.

Neither the Valuation Agreement nor the Construction Warranty is applicable on applications for insured home improvement loans.

119. Inasmuch as the FHA derives its knowledge of the borrower largely on the statements made on either Form 2004c (Exhibit I-e), or Form 2004c-1 (Exhibit I-f), and the supplemental statements and forms supporting such forms, it is essential that each item be correctly and adequately completed, so that a decision may be reached as to eligibility without further inquiry.

If the borrower operates his own business or is self-employed, a balance sheet and income statement of his business or his own financial position is required to be submitted with the Form 2004c.

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK - CHAPTER I

119.

A copy of the contract of sale, where applicable (see 120 below), must accompany Form 2004c.

On home mortgage applications made on Form 2004, it is permissible for the mortgagee to order the Credit Report (see 121 below), the Verification of Deposits (see 122 below), and Verification of Employment (see 123 below) for direct delivery to FHA. It has been found that processing is expedited if they are secured by the mortgagee and submitted to FHA with the Form 2004c.

On applications for insured one-to-four family home improvement loans, under Sections 203(k) and 220(h), it is mandatory that the Credit Report, Form 2004f, 2004g and contractor's bid or if use of contractor is not intended, an estimate of the cost of proposed improvements accompany the application.

120. A signed or certified copy of the contract of sale executed by the seller and buyer is required. When FHA's Statement of Appraisal Value is not known to the borrower at the signing of the sales contract or purchase agreement, the following amendatory language shall be included in the sales contract or purchase agreement submitted with the application for a firm commitment:

"It is expressly agreed that, notwithstanding any other provisions of this contract, the purchaser shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the seller has delivered to the purchaser a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the property for mortgage insurance purposes not less than \$_____, which statement seller hereby agrees to deliver to the purchaser promptly after such appraised value statement is made available to the seller.

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK - CHAPTER I

120.

The purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the appraised valuation made by the Federal Housing Commissioner."

The dollar amount to be inserted above shall not be less than an amount which would support the amount of the proposed mortgage under the existing FHA percentage of loan to value regulations.

If proposed construction is involved and the services of a contractor are not contemplated, the mortgagor's itemized estimate of the cost of construction should be included in lieu of a contractor's bid.

121. FHA's mortgage insurance underwriting, as related to credit analysis, does not permit, as a general practice, the use of many methods commonly used by other credit institutions; e.g., FHA seldom has the benefit of personal interviews with mortgagor-applicants or the facilities for the more intensive type of investigation. FHA, therefore, must depend heavily on credit reports and such reports must be reliable and adequate in every respect. Credit reports must cover an adequate period of time and contain antecedent information from the point of previous residence if the subject has not resided in his present location for at least two years. Reports must contain sufficient information so that the mortgagor-applicant's stability and credit reputation can be determined. To accomplish this objective, FHA annually awards contracts to credit reporting agencies which are successful bidders as to price, after meeting specified requirements as to the type and quality of credit reports. All credit reports used as a basis for processing must be on the FHA Standard Factual Data Report (Exhibit I-g) in cases of individual mortgagors. The reports should be supplemented by a commercial credit report in cases in which the individual derives his principal income from a business which he owns or in

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK - CHAPTER I

121.

which he is principal owner. The contracting credit reporting agencies have been determined to have the essential qualifications, intentions and means of successfully performing their obligations under the specifications, including ability to accurately and adequately provide the information and credit experiences required to complete the FHA Standard Factual Data Report. This includes facilities for reporting public legal recordings as to suits, judgments, garnishments, bankruptcy and legal actions involving the subject. It also includes facilities for obtaining and reporting the subject's paying record of credit accounts extended by the principal department stores, if any, and the principal general stores of the community.

Credit reports on the applicant-mortgagor will be ordered by the mortgagee for submission to the FHA field office with the application or shortly thereafter (Note on Form 2004c, in appropriate space, whether credit report is attached or has been ordered). Mortgagees may delegate their authority to order credit reports from a specified credit agency meeting all of the requirements specified above provided that when so ordered the credit agency will send the report direct to the approved mortgagee or to the FHA without screening by brokers, salesmen, or other beneficiaries of the real estate transaction. Mortgagees are permitted to obtain credit reports under the above contract awards at the stipulated price so as to submit reports, which comply with FHA requirements, in connection with applications for mortgage insurance. In ordering reports from this FHA contract reporting agency, the mortgagee must make its own arrangements with the agency as to the method of ordering and paying for such reports. The FHA will not pay for reports ordered by the mortgagee. When ordering reports the credit reporting agency's investigation is facilitated by a notation on the request form as to any previous employment or place of residence reported by the mortgagor. FHA will not reject applications when the mortgagee submits a credit report from other than the contract reporting agency. FHA will in every such

FEDERAL HOUSING ADMINISTRATION

9/62

MORTGAGEES' HANDBOOK - CHAPTER I

121.

case confirm and supplement the credit information submitted by ordering a factual data report from its contract source if there is any doubt as to the submitted report meeting all of the specified requirements including the required credit report form and wording. Under such conditions FHA will not be able to order its credit report until the application has been filed and will not be able to complete processing on the case until the credit report from its contract source has been received. FHA is confident that mortgagees share FHA's concern that accurate and complete credit information be available in all cases and will make extensive use of the services available to them to improve the quality of credit information and expedite the processing of applications.

122. Verification of the borrower's ready assets, including bank balance and securities, which are reported in the Mortgagor's Statement, is required. Request for Verification of Deposit, Form 2004f (Exhibit I-h), will be used for this purpose.

123. Request for Verification of Employment, Form 2004g (Exhibit I-i), provides the medium by which the employment and income of the borrower may be verified. If the borrower is self-employed, verification of employment is not required.

124. Drawings and specifications are required, in duplicate, on all cases involving proposed construction. The requirements for drawings and specifications are set forth in Chapter I of FHA Form No. 300, Minimum Property Standards for One and Two Family Living Units. These requirements are, however, subject to some variations from one part of the country to another and specific requirements should be obtained from the local FHA office.

125. Applications for conditional or firm commitments on Group Submissions of 5 or more properties are made by filing the applications on FHA Form Nos. 2001-g or 2003-g, respectively, supported by Schedules of Properties, FHA Form No. 2461. (Exhibits I-j, k and l)

35

FHA FORM NO. 2004 Rev. 11/61

EXHIBIT I-a (Face)

Form Approved
Budget Bureau No. 63-R0549

INSTRUCTIONS: Submit original only to Insuring Office.

FEDERAL HOUSING ADMINISTRATION

MORTGAGEE'S APPLICATION FOR COMMITMENT

FHA Case No.


1. MORTGAGEE (Name and address) (Please imprint stamp or other approved device)		2. TYPE OF COMMITMENT <input type="checkbox"/> Firm <input type="checkbox"/> Conditional <input type="checkbox"/> Escrow <input type="checkbox"/> Operative Builder		3. Lender's Loan No.	
4. Section of Act <input type="checkbox"/> 203b <input type="checkbox"/> 203d <input type="checkbox"/> 222 <input type="checkbox"/> Other		5. House previously occupied <input type="checkbox"/> Yes <input type="checkbox"/> No			
6. NO. OF LIVING UNITS <input type="checkbox"/> PROPOSED CONSTRUCTION <input type="checkbox"/> UNDER CONSTRUCTION	DATE STARTED OR TO BE STARTED: Mo. Yr.	CONSTRUCTION COMPLETED: Mo. Yr.	7. NAME OF MORTGAGOR (If known - firm commitment)		
PROPOSED SALE PRICE (If for sale) or ESTIMATED TOTAL COST (If to be built)		PRINCIPAL AMOUNT OF LOAN	INTEREST (Percent per year)	NO. OF EQUAL MONTHLY INSTALLMENTS	
8. PROPERTY OFFERED FOR SECURITY (Street and number, or lot and block number, city, county and State) If mortgaging property, give number of miles and direction to city or town and highway number.			10. INDICATE BELOW: Shape, location and dimensions of lot, distance from nearest intersection and names of streets. Mark N at compass point indicating NORTH.		
9. LEGAL DESCRIPTION					
11. DESCRIBE KNOWN TITLE EXCEPTIONS INCLUDING EASEMENTS, RESTRICTIONS, ENCROACHMENTS (See instructions on back)					
12. MINERAL RIGHTS Reserved <input type="checkbox"/> YES <input type="checkbox"/> NO					
13. LEASEHOLD DATA Leasehold (Yes or No) <input type="checkbox"/> Ground Rental (Per year) \$					
14. LOT DIMENSIONS (Linear feet)					
15. NO. OF ROOMS NO. OF BED ROOMS NO. OF BATH ROOMS (If property involves two or more units indicate in an attachment equipment and services to be furnished)					
16. WE HAVE NOT PREVIOUSLY APPLIED FOR AN INSURED MORTGAGE LOAN UPON THIS PROPERTY EXCEPT AS FOLLOWS:					
17. WATER SUPPLY SYSTEM <input type="checkbox"/> COMMUNITY <input type="checkbox"/> PUBLIC <input type="checkbox"/> INDIVIDUAL SEWAGE DISPOSAL SYSTEM <input type="checkbox"/> COMMUNITY <input type="checkbox"/> PUBLIC <input type="checkbox"/> INDIVIDUAL IF INDIVIDUAL - Specify type					
18. REAL ESTATE TAXES (Amount levied this fiscal year or estimated yearly taxes when assessed as completed)					
19. SPECIAL ASSESSMENT DATA					
20. PREPAYABLE NON PREPAYABLE Total Amount which will be outstanding at date of insurance of mortgage INTEREST RATE AMOUNT PAYABLE ANNUALLY REMAINING TI (including cost of fire and other insurances)					
21. FILL IN THIS BOX IF DWELLING CONSTRUCTION HAS BEEN COMPLETED					
NAME OF OCCUPANT (Owner if unoccupied) PHONE NO.		KEY IS ENCLOSED OR AT: (Address)		Inspections during business hours Monday through Friday, except: (If house is furnished, occupant's representative must be present)	
PRESENT OCCUPANCY <input type="checkbox"/> BY OWNER <input type="checkbox"/> VACANT <input type="checkbox"/> BY TENANT AT \$ Per Mo. <input type="checkbox"/> FURNISHED <input type="checkbox"/> UNFURNISHED					
WHAT IMMEDIATE ALTERATIONS OR ADDITIONS ARE TO BE MADE (See instructions on back for required exhibits)					
LIST EASILY REMOVABLE ITEMS OF REAL ESTATE TO BE INCLUDED IN MORTGAGE					
22. FILL IN THIS BOX IF DWELLING IS PROPOSED CONSTRUCTION OR IS UNDER CONSTRUCTION					
BUILDER'S NAME AND ADDRESS				PLAN IDENTIFICATION	
<input type="checkbox"/> FIRST SUBMISSION <input type="checkbox"/> REPEAT CASES PROBABLE <input type="checkbox"/> REPEAT CASES NOT PROBABLE <input type="checkbox"/> PLANS PREVIOUSLY PROCESSED AS FHA CASE NO.					
Federal Housing Commissioner: The undersigned mortgagee hereby applies for a commitment to issue a proposed loan to the named mortgagor or to a borrower satisfactory to you. DATE SIGNATURE & TITLE OF MORTGAGEE OFFICER OR CAP AGENT					
AGREEMENT WITH RESPECT TO FHA VALUATION - 1 TO 2 FAMILY DWELLINGS					
The undersigned as BUILDER-SELLER-OTHER in the captioned case hereby agrees that he will deliver to the purchaser, prior to the execution of the contract for the sale of the property, a written statement setting forth the amount of the FHA's appraised value of the property.					
CONSTRUCTION WARRANTY - PROPOSED CONSTRUCTION					
The undersigned agrees that upon sale or conveyance of title within one year from date of initial occupancy, he will deliver to a purchaser at the time of such sale or conveyance a warranty, FHA Form 2164, warranting that the dwelling is constructed in substantial conformity with the plans and specifications (including any changes approved in writing) and on which the Commissioner has based his valuation of the dwelling and he will furnish the Commissioner with a confirmed copy of the warranty establishing by the purchaser's receipt thereon that the original warranty has been delivered to the purchaser.					
DATE		BUILDER-SELLER-OTHER (Signature)		ADDRESS	
(THIS SPACE FOR ANY ADDITIONAL DATA DESIRED BY MORTGAGEES FOR THEIR OWN USE)					

EXHIBIT I-a (Reverse)

INSTRUCTIONS

EXHIBITS REQUIRED WITH APPLICATION: The following requirements are generally minimum.

FOR PROPOSED CONSTRUCTION AND WORK UNDER CONSTRUCTION

The following exhibits, properly identified as part of the application, shall be submitted:

1. Complete working drawings, in duplicate, including plot plan, foundation or basement plan, plans of all floors, all elevations, grade levels, sectional wall details, and heating layout.
2. Outline specifications on FHA Form 2005, Description of Materials, completely filled out, in duplicate.

NOTE: - When a number of applications involving one or more repeats of a basic dwelling structure are simultaneously submitted, it is necessary to submit only three sets of the exhibits described in 1 and 2 above for each basic dwelling structure, together with three copies of a master plot plan showing the location and development of all individual plots involved, and designating the basic dwelling structure or variation thereof to be built on each. Unless all of the necessary information for each plot is clearly indicated at an adequate scale on a master development plan individual plot plans are required in triplicate.

3. If an individual water supply and/or sewage-disposal system is proposed, submit additional required exhibits for each individual property in duplicate.

4. A single signed or certified copy of the Contractor's bid or, if employment of a Contractor is not intended, estimate of cost of construction.

FOR EXISTING CONSTRUCTION

The following exhibits, properly identified as part of the application, shall be submitted:

1. A single signed or certified copy of the purchase agreement, if the loan is to finance the purchase of the property or refinance the balance due under contract for deed.
2. If proposed improvements shown in item 20, face of form, involve major additions or alterations affecting the structure or design of the building, attach hereto the following: (a) Complete drawings and specifications, in duplicate, indicating the work to be done and its relation to the existing structure, and (b) Contractor's bid, or if employment of contractor is not intended, estimate of cost of the proposed improvements (a single copy). Minor improvements may be supported by a description of the work to be done, illustrated by a sketch if necessary.

IF BORROWER IS KNOWN

Attach completed Form No. 2004c, Supplement to Mortgagee's Application; and Mortgagor's Statement.

TITLE EXCEPTIONS

If the general waiver provisions of the FHA Regulations contained in Section 203.389 do not cover the exceptions described in this application, submit request of waiver with this application. Exceptions discovered subsequent to this application, for which a specific waiver is requested, should be disposed of as soon as possible, preferably prior to the endorsement of the loan for insurance.

MORTGAGEE'S CHARGES

The mortgagee shall not collect from the mortgagor charges in excess of:

- (1) The amount of the application fee charged by the Federal Housing Commissioner for examination and valuation of property offered as security.
- (2) Recording fees and recording taxes or other charges incident to recordation.
- (3) Credit Report.
- (4) Survey, if required by mortgagee or mortgagor.
- (5) Title examination, title insurance, if any.
- (6) Initial Service Charge: A charge to compensate the mortgagee for expenses incurred in originating and closing the loan, the charge not to exceed:
 1. \$20 or 1 percent of the original principal amount of the mortgage, whichever is the greater; or
 2. \$50 or 2 1/2 percent of the original principal amount of the mortgage, whichever is the greater, with respect to mortgages on property under construction or to be constructed where the mortgagee makes partial disbursements and inspections of the property during the progress of construction.
- (7) Such other reasonable and customary charges and fees as authorized by the Commissioner.

D 18

FHA FORM NO. 2004k Rev. 3/62

EXHIBIT I-b

Form Approved
Budget Bureau No. 43-8054-9

FEDERAL HOUSING ADMINISTRATION	Lender's Loan No.	Section of the National Housing Act	FHA Case No. (To be inserted by FHA)
MORTGAGEE'S OR LENDER'S TRANSMITTAL			

Property Address

Name of Mortgagee or Borrower

INSTRUCTIONS: Complete with pen, indelible pencil or typewriter, except for first item (Mortgagee). Retain the last copy. Do not remove carbons. Forward the remaining copies with required documents and exhibits to your FHA Insuring Office. Check in applicable columns B, C, D, E, F, or G, the documents and exhibits submitted. If an item is not required for a specific case, make appropriate notation. If credit reports are not attached, note in proper line if they have been ordered.

Name of Mortgagee or Lender (Please imprint mortgage stamp or other approved device on all copies)

FOR FHA USE ONLY

A FORMS, DOCUMENTS AND EXHIBITS	B FIRM					C CONDITIONAL			D FOR FHA USE	
	B Prop.	C Exst.	D Impr.	E Re. Co.	F Prop.	G Exst.	H Re. Co.	I Instructions to Mortgagee or Lender	J	
2004 - Mortgagee's Application for Commitment										
2004 - 1. Appl. for Commitment on an improvement loan										
2004c - Suppl. to Application and Mortgagee's Statement										
2004c - 1. Suppl. application for improvement loan										
2004f - Verification of deposit										
2004g - Verifi. of employment (unless self-employed)										
Credit Report										
Operating State. (for self-employed Mort. or Borrower)										
Financial Statement (for operative builder, self-employed Mortgagee or Borrower)										
Construction Contract (if to be built under Contract)										
Sales Contract or Purchase Agreement										
DD - 802 - Request for and Certificate of Eligibility (Servicemen only)										
2561 - Mortgagee's or Borrower's Contract with respect to Hotel and Transient use of property	2/	2/	2/	2/						
Contractor's Bid on estimated cost of improvements										
DRAWINGS AND SPECIFICATIONS (IN DUPLICATE FOR INDIVIDUAL APPLICATIONS, IN TRIPLICATE FOR GROUPS)										
Form 2005 - Description of materials (MPS 103)				3/						
Plot Plan (MPS 101-2 and 104-2)				3/						
Foundation or Basement Plan (MPS 101-3)				3/						
Floor Plans (all floors) (MPS 101-3)				3/						
Exterior Elevations (MPS 101-4)				3/						
Exterior Wall Section (MPS 101-5.1)				3/						
Kitchen Cabinet Details (MPS 101-5.6)				3/						
Stair Section, Fireplace Section and elevation, and Roof Details (if applicable) (MPS 101-5)				3/						
Heating Layout and Heat Loss Calcula. (MPS 101-3.9)				3/						
Water Supply System Plans and Specifications (For individual systems only) (MPS 104)		4/				4/				
Sewage Disposal System Plans and Specifications (For individual system only) (MPS 104)		4/				4/				

- 1/ Sales contract or purchase agreement (instructions on reverse side of mortgagee's application for commitment, FHA Form No. 2004).
 2/ For 2, 3, or 4 family dwelling or 1 of a group of 5 or more held by same mortgagee.
 3/ Required if improvements involve major additions or alterations affecting the structure or design of the dwelling. Minor improvements may be supported by a description of the work to be done, illustrated by a sketch if necessary.
 4/ Required on existing construction where property is occupied less than one year.

FOR FHA USE ONLY

J. ☐ Application accepted for processing. All required documents and exhibits have been submitted or indicated as ordered for submission. (Any additional data found necessary may be subsequently requested.)

Date

Initials

NOTICE TO MORTGAGEE OR LENDER

K. ☐ Application not accepted due to deficiencies enumerated in column I above or in the space below. Your application is returned herewith. It may be resubmitted if the noted deficiencies are corrected. Use new transmittal forms.

Date

Federal Housing Administration

FHA FORM 2004k Rev. 3/62 PART I TO FHA

EXHIBIT I-b-2

FEDERAL HOUSING ADMINISTRATION
ESCROW COMMITMENT CERTIFICATE

INSTRUCTIONS: This form, completely executed, should accompany FHA Form No. 2004, Mortgagee's Application for Commitment. The Mortgagor and Mortgagee should retain a copy.

FHA Case No.

MORTGAGOR'S CERTIFICATE

To: FEDERAL HOUSING ADMINISTRATION

Date _____

The undersigned, in order to induce the Federal Housing Commissioner to issue an Escrow Commitment to insure a mortgage loan on the property described in the application, certifies to the Federal Housing Commissioner and agrees that:

(1) Check Applicable Box

- ☐ (a) The undersigned is or will be the builder of the dwelling.
- ☐ (b) The undersigned proposes to acquire the dwelling as a trade-in house in connection with the sale of another dwelling. Copy of purchase contract attached.
- ☐ (c) The undersigned proposes to purchase the dwelling from a person who intends to use the sale proceeds to purchase another dwelling. Copy of purchase contract attached.
- ☐ (d) The undersigned is the owner of the property and intends to use the proceeds of the loan to purchase another house for his occupancy.
- (2) The undersigned will not rent for a rental term of less than thirty (30) days or more than sixty (60) days, sell (except where the insured mortgage is paid in full as an incident of the sale), or occupy the property prior to the 18th amortization payment of the mortgage except with the prior written approval of the Federal Housing Commissioner. (An owner occupant who has checked (d) of Item (1) above need not obtain the approval of the Commissioner to occupy the property.)
- (3) An amount not less than 15 percent of the original principal of the mortgage has been or will be deposited in an escrow, trust, or special account. If the property is not sold prior to the due date of the 18th amortization payment of the mortgage to a purchaser acceptable to the Federal Housing Commissioner who will occupy the property, assume, and agree to pay the mortgage indebtedness, the amount held in escrow, trust, or special account will be applied in reduction of the outstanding principal amount of the mortgage as of the due date of the 18th amortization payment of the mortgage.
- (4) The application of the escrow will be mandatory, prepayment will not affect the monthly payments to be made by the mortgagor as required by the mortgage, and will not be used as a "riding" prepayment.

Mortgagor_____
MortgagorMORTGAGEE'S CERTIFICATE

To: FEDERAL HOUSING ADMINISTRATION

Date _____

The undersigned, in order to induce the Federal Housing Commissioner to issue an Escrow Commitment to insure a mortgage loan on the property described in the application, certifies to the Federal Housing Commissioner and agrees that:

- (1) An amount not less than 15 percent of the original principal of the mortgage proceeds has been or will be deposited in an escrow, trust, or special account.
- (2) If the mortgaged property is not sold prior to the due date of the 18th amortization payment of the mortgage to a purchaser acceptable to the Federal Housing Commissioner who will occupy the property, assume and agree to pay the mortgage indebtedness, the amount held in escrow, trust, or special account will be applied in reduction of the outstanding principal amount of the mortgage as a mandatory prepayment as of the due date of the 18th amortization payment of the mortgage.
- (3) If the property is not sold by the due date of the 18th amortization payment, the Mortgagor will not be permitted to "ride" the prepayment by being relieved of the obligation of paying future monthly installments of escrow, principal and interest, and that the mandatory prepayment will serve solely to accelerate the maturity of the mortgage.
- (4) Any portion of the fund held in escrow, trust, or special account, not applied to the mortgage in accordance with the applicable Regulations of the Federal Housing Commissioner shall be deducted from the amount of debentures to which the Mortgagee would otherwise be entitled if a claim for debentures is filed.

Mortgagee

By: _____

(Signature and Title of Officer)

EXHIBIT I-b-3

FHA FORM NO. 2004P Rev. 3/62 PART 2 TO FHA AND RETURN TO MORTGAGEE OR LENDER			
FEDERAL HOUSING ADMINISTRATION NOTICE OF ACCEPTANCE OF APPLICATION FOR COMMITMENT		Lender's Loan No.	FHA Case No. (To be filled in by FHA)
Property Address		Section of the National Housing Act	
Name of Mortgagee or Borrower		<p>INSTRUCTIONS: Your application for a commitment to insure a mortgage or loan on the property shown, has been received and assigned the FHA Case Number shown above. You will be billed on a monthly statement from the FHA Assistant Commissioner-Comptroller, for a fee as shown, which will be identified by the FHA Case Number only. This notice should be held in abeyance and used to reconcile items shown on future statements. In proposed construction cases this notice is to serve a dual purpose, that is, to reconcile the initial charge of \$45 and the \$25 credit that will be allowed upon insurance endorsement. The enclosed copy of this notice is for your loan file or such other use as you desire.</p>	
<p>Mortgagee or Lender (Place imprint mortgage stamp or other approved device on all copies)</p>		<p>You will be billed by the FHA on a monthly statement for:</p> <p><input type="checkbox"/> \$10.00 certified agency program</p> <p><input type="checkbox"/> \$20.00 existing construction</p> <p><input type="checkbox"/> \$20.00 improvement loan</p> <p><input type="checkbox"/> \$45.00 proposed construction</p> <p><input type="checkbox"/> \$</p>	

D 21

FHA Form No. 2004a

EXHIBIT I-c

Form Approved
Budget Bureau No. 63-7880

Federal Housing Administration SUPPLEMENT TO MORTGAGEES APPLICATION FOR COMMITMENT	No. _____ Thru (To be inserted by FHA) _____
---	---

TO: DIRECTOR, FHA INSURING OFFICE
(Street Address, City and State)

Please consider the alternates listed below for each of the basic dwellings as the basis for issuing your Form 2007a, Supplement to the Commitment, Schedules of Alternates and Effect on Value, for the accompanying applications.

SUBDIVISION - In which Properties involved are located

PROPOSED CHANGES IN SELLING PRICE					
DESCRIPTION OF ALTERNATES (Identify as Plus or Minus)	Bldg. Type	Bldg. Type	Bldg. Type	Bldg. Type	Bldg. Type
	\$	\$	\$	\$	\$

PROPOSED CHANGES IN SELLING PRICE					
DESCRIPTION OF ALTERNATES (Identify as Plus or Minus)	Bldg. Type	Bldg. Type	Bldg. Type	Bldg. Type	Bldg. Type
	\$	\$	\$	\$	\$

Mortgagees

Signature of Mortgage Officer

D 22

FHA FORM NO. 2004.1 9/81		EXHIBIT I-d(Face)		Form Approved Budget Bureau No. 63R-1033	
INSTRUCTIONS Submit original only with Credit Report and FHA Forms 2004 C-1, 2004 F, and 2004 G to the FHA Insuring Office.		FEDERAL HOUSING ADMINISTRATION LENDER'S APPLICATION FOR COMMITMENT ON ONE TO FOUR FAMILY INSURED HOME IMPROVEMENT LOAN		FHA Case Number _____ Lender's Loan Number _____	
1. Lender's Name and Address		2. Section of the Act <input type="checkbox"/> 203(k) <input type="checkbox"/> 220(h)		3. Year Dwelling was Built	
		4. No. of Living Units Now _____ When Completed _____		5. Loan Amount Requested \$ _____ 6. Interest Rate % _____ 7. Loan Term in Months _____	
		8. Name or Designation of Approved Urban Renewal Area (If applicable)			
9. Name and Address of Borrower		10. Address of Property to be Improved			
11. Legal Description of Property (Attach additional sheet if necessary)					
Lot Dimensions (Linear feet)					
12. Describe Known Title Exceptions Including Easements, Restrictions and Encroachments					13. Mineral Rights Reserved <input type="checkbox"/> YES <input type="checkbox"/> NO
14. LEASEHOLD DATA	Leasehold (Yes or No)	Ground Rental (Per Year)	Lease is: <input type="checkbox"/> ATTACHED <input type="checkbox"/> RENEWABLE	99 YEARS <input type="checkbox"/> ON FORM PREVIOUSLY APPROVED BY FHA	LEASE EXPIRES (DATE)
15. Real Estate Taxes		16. ARE THERE ANY SPECIAL ASSESSMENTS - <input type="checkbox"/> No <input type="checkbox"/> Yes (If yes, complete)			17. Est. Amt. of hazard ins. _____ and annual premium after improvements \$ _____
Present annual tax \$ _____	Est. annual tax after improvements \$ _____	Prepayable \$ _____	Non-prepayable \$ _____	Total amount which will be outstanding at date of insurance of loan \$ _____	Amount payable annually \$ _____ Remaining term (years) _____
18. Name of Occupant (Owner if unoccupied)		19. Phone No.	20. Key is enclosed or at: (Address)		21. Inspections during business hours Monday through Friday, except: (If house is furnished occupant's representative must be present)
22. Describe Briefly Improvements, Alterations, or Additions to be made (See reverse side for required drawings, specifications, etc.) (If one or more dwelling units is rented, or will be rented after improvements are completed, fill out Rental Schedule on reverse side of this form)					
23. Contractor's Name and Address			24. Contractor's Bid or Estimate (Attach signed copy)		
FEDERAL HOUSING COMMISSIONER: The undersigned lender hereby applies for a commitment to insure a proposed loan to the named borrower.		Date	Signature and Title of Lender Officer		

EXHIBIT I-4 (Reverse)

RENTAL SCHEDULE (Complete this schedule only when one or more dwelling units is now rented, or will be rented when improvements are completed)							
NOW				AFTER COMPLETION OF IMPROVEMENTS			
Units listed below are now rented at rate shown in Col. 1	Monthly rental rate \$ Col. 2	Units listed below are now rented at rate shown in Col. 3	Monthly rental rate \$ Col. 4	Units listed below will be rented at rate shown in Col. 5	Monthly rental rate \$ Col. 6	Units listed below will be rented at rate shown in Col. 7	Monthly rental rate \$ Col. 8
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Describe Equipment, Services and Utilities now included in rent.				Describe Equipment, Services and Utilities that will be included in rent.			

INSTRUCTIONS

EXHIBITS REQUIRED WITH THIS APPLICATION

If proposed improvements shown in item 22, face of form, involve major additions or alterations affecting the structure or design of the building, attach hereto the following:

- (a) Complete drawings and specifications, in duplicate, indicating the work to be done and its relation to the existing structure. (Plot plan is required when first floor exterior additions are to be made to existing structure) and
- (b) Contractor's bid, or if employment of a contractor is not intended, an estimate on the cost of the proposed improvements (a single copy).

Minor improvements may be supported by a description of the work to be done, illustrated by a sketch if necessary.

REPORTS ON BORROWER THAT MUST BE ATTACHED TO THIS APPLICATION

- (a) Credit Report
- (b) FHA Form No. 2004C-1, Supplement To Application For Insured Improvement Loan
- (c) FHA Form No. 2004F, Request For Verification Of Deposits
- (d) FHA Form No. 2004G, Request For Verification Of Employment
- (e) If Borrower is self employed - a current balance sheet and operating statement of the business.

FHA FORM NO. 2004c
Rev. 1/62

EXHIBIT I-o (Face)

Form Approved
Budget Bureau No. 63879INSTRUCTIONS: Submit original
only with credit report and FHA
Forms 2004, 2004f, 2004g, and
2004h to FHA Insuring Office.FEDERAL HOUSING ADMINISTRATION
SUPPLEMENT TO MORTGAGEE'S APPLICATION
AND MORTGAGOR'S STATEMENT

Project No.

Case No.

Mortgagee—Please use imprint Stamp or other approved device

Mortgagor(s)—Name, Present Address and Telephone No.

Property Address

Principal Amount of Mortgage Loan	Interest rate	Service Charge	No. of equal monthly installments	Credit Report requested from: (Date)	For <input type="checkbox"/> Direct Delivery <input type="checkbox"/> Is attached
\$	%	%			
<input type="checkbox"/> FHA Form 2004f requested (Date)				<input type="checkbox"/> FHA Form 2004g requested (Date)	
<input type="checkbox"/> Comparable information is attached				<input type="checkbox"/> Comparable information is attached	

By:

(Signature and Title of Mortgage Official)

MORTGAGOR'S STATEMENT

The following statements are submitted for obtaining credit in connection with:

- ☐ An application for mortgage insurance ☐ A purchaser of a property acquired by the FHA ☐ A Guarantor
☐ A member of a corporation organized under Section 213 ☐ An open-end advance ☐ Other

A. PURPOSE OF MORTGAGE LOAN: (Complete applicable schedule or schedules below)

- Financing of new construction—(a) approximate date construction was or is to be started _____
 (b) Date land purchased _____ (c) Purchase price \$ _____
 (d) From whom purchased _____
 (e) Estimated cost of construction, including main building, out buildings, walls, driveways, gradings, etc., plus architects fee, if any. Exclude cost of lands and cost of closing transaction \$ _____
- Financing purchase of property—(a) date purchased _____ (b) Purchase price \$ _____
 (c) From whom purchased _____
- Refinancing existing indebtedness (List in "C" below)—(a) total amount owed \$ _____
 (b) Are payments current? _____ (c) if not, state amount(s) in default for principal \$ _____
 Interest \$ _____ Real Estate Taxes \$ _____ Special assessments \$ _____
 (d) When was property acquired _____ (e) Purchase price \$ _____
 (f) If property is being acquired under contract for deed, attach signed or certified copy of contract.
- Financing of proposed improvements to existing construction as described in property description.
 Estimated cost to mortgagor of proposed improvements \$ _____
- Other—(a) Describe briefly any other intended use of mortgage proceeds _____
 (b) Amount required \$ _____
 Proposed sales price (if for sale) \$ _____

B. ESTIMATED SETTLEMENT REQUIREMENTS—

- Total amount, for purposes stated under "A" above \$ _____
- Approximate cost of closing the transaction (including deposits for taxes and insurance premiums \$ _____) \$ _____
- Total \$ _____
- Less amount of mortgage loan applied for \$ _____
- Total investment required by mortgagor in cash or its equivalent \$ _____
- Less amount already paid: (a) in cash, \$ _____ (b) equity other than cash, \$ _____ (c) Total \$ _____
 (d) Date paid _____ (e) To whom paid _____
 (f) Nature of other equity, if any listed in item 6 (b): _____
 (g) Balance of cash or its equivalent to be invested by mortgagor \$ _____
 (h) The amount indicated in item (g) will be provided from the following source _____

ITEMS ESSENTIAL FOR ELIGIBILITY:

- Do you intend to ☐ occupy this property or a unit thereof, ☐ rent, or ☐ sell? (If for rent, answer the following)
 Is the dwelling to be covered by the insured mortgage a part of, adjacent or contiguous to any project, subdivision or group of rental properties involving eight or more dwelling units ☐ Yes ☐ No
 If answer is "Yes" do you have any financial interest in such properties? ☐ Yes ☐ No
 If answer is "Yes" furnish details as to the location of such properties and financial interest therein _____
- Do you own four or more dwelling units which are subject to mortgages insured under any title of the National Hse. Act? ☐ Yes ☐ No
 If answer is "Yes", or if this application involves a two-, three-, or four-family dwelling, execute mortgagor's contract with respect to hotel and transient use of property, Form 2561, and submit with application.
- Have you incurred or do you intend to incur any indebtedness, secured or unsecured, other than that of the mortgage loan applied for, for any purpose connected with this transaction? ☐ Yes ☐ No
 If answer is "Yes" give complete details, including description of any security offered _____
- For open-end only: Are additional rooms or enclosed areas proposed? ☐ Yes ☐ No

C. INDEBTEDNESS AGAINST PROPERTY AT: (Always show address)

The following is a list of all mortgages and other indebtedness against the property offered as security for the loan applied for, including taxes and assessments (If there is no indebtedness, insert "None")

Name and Address of Holder	Type of Loan	Date of Mortgage or Lien	Original Amount	Present Unpaid Balance	Maturity Date
			\$	\$	

Indicate any which is FHA-insured Mortgage Loan above and give Case Number if available:

D. TAX EXEMPTIONS:

Are you entitled to tax exemptions on subject property? ☐ Yes ☐ NoFHA FORM NO. 2004c
Rev. 1/62

EXHIBIT I-c (Reverse)

E. EMPLOYMENT STATUS-USE SEPARATE STATEMENT FOR ITEMS E.2 THROUGH M, FOR CO-APPLICANT OTHER THAN WIFE

1 Applicant
 (a) Employer's Name _____
 (b) Employer's Address _____
 (c) Type of Business _____
 (d) Position Occupied _____
 (e) Name and Title of Supervisor _____
 (f) Number of years in present employment _____

2 Co-Applicant
 (a) _____
 (b) _____
 (c) _____
 (d) _____
 (e) _____
 (f) _____

*NOTE: If less than 2 years, attach rider giving same details with respect to prior employment status.

F. LIFE INSURANCE: (On Applicant)

(1) Total in Force \$ _____ Cash Value \$ _____
 (2) Less amount of loans on Policies \$ _____
 (3) Net cash surrender value \$ _____

G. FAMILY STATUS:

Number of years married _____ Age of Wife _____
 Ages of dependents _____
 Other than Spouse _____

H. FINANCIAL STATEMENT: (Excluding equity and liability in connection with subject property)

(A combined statement may be made for applicants who are Husband and Wife. In other cases a separate statement must be filed for each mortgagor on Form 2004C. A Corporate applicant or an applicant who derives his principal income from his own business must attach a current balance sheet and operating statement of the business.)

Statement Date: _____

ASSETS		LIABILITIES	
Cash Accounts (List):		Accounts payable (except installment accounts)	\$ _____
Where Deposited—	\$ _____	Installment Account payable, automobile	\$ _____
	\$ _____	Monthly payment	\$ _____
Earnest money deposit on purchase	\$ _____	Other installment accounts payable	\$ _____
U.S. Savings Bonds	\$ _____	Monthly payment	\$ _____
Stocks and other Bonds—	\$ _____	Notes payable balance due	\$ _____
	\$ _____	Repayment terms for _____ Months,	
Estimated Resale value of Real Estate owned, other		at \$ _____ Per month.	
than subject property, from schedule I	\$ _____	Indebtedness on Real Estate, other than subject prop-	
Other important assets (List or attach schedule)—	\$ _____	erty, from schedule I	\$ _____
	\$ _____	Other Liabilities	\$ _____
	\$ _____	Repayment terms for _____ Months,	
	\$ _____	at \$ _____ Per month.	
TOTAL	\$ _____	TOTAL	\$ _____

I. REAL ESTATE OWNED OTHER THAN SUBJECT PROPERTY: (If more than one Property is owned attach separate schedule)

Type and Address of Property	Estimated Resale Value	Indebtedness	Annual Principal Payment and Interest	Estimated Annual Gross Income (a)	Estimated Annual Operating Expenses Including Taxes (b)	Estimated Annual Net Income (a)-(b)
Name and Address of Mortgagor	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

J. DEFAULTS:

1 Have you ever owned an FHA insured or FHA Commissioner Held Mortgage Loan on a one to four-family dwelling on which default of mortgage payments resulted in foreclosure or voluntarily deed in lieu of foreclosure was given? ☐ Yes ☐ No

(a) FHA Case No., if known: _____ (b) Address of Property: _____

(c) Name and Address of mortgagor: _____ Was voluntary deed _____

(d) Was the mortgage foreclosed? _____, date completed _____; (e) in lieu of foreclosure? _____ Date _____

2 Have you ever defaulted on a FHA Title I Home Improvement Loan? _____ (If answer is "Yes," attach details)

K. ANNUAL INCOME:

Base pay of applicant \$ _____

(Based upon current rate of earnings, except earnings from commissions or fees, which should be reported on the basis of the past 12 months.)

Overtime or other employment earnings \$ _____

Base pay of Wife \$ _____

Annual overtime or other employment earnings \$ _____

Net income from real estate from schedule I \$ _____

Income from other sources (List sources and amounts) \$ _____

TOTAL INCOME \$ _____

L. ANNUAL FIXED CHARGES: (Past 12 months)

Federal and State income tax \$ _____

Premium on Life Insurance \$ _____

Social Security and Retirement contributions \$ _____

Payment on installment accounts \$ _____

Mortgage or contract payments on other Real Estate from schedule I \$ _____

Payments on other loans \$ _____

TOTAL FIXED CHARGES \$ _____

M. APPROX. HOUSING EXPENSE: (Post 12 months)

(a) Mortgage payment or rent \$ _____

(b) Taxes and insurance \$ _____

(c) Heat \$ _____

(d) Water, gas, electricity \$ _____

(e) Maintenance \$ _____

TOTAL HOUSING EXPENSE \$ _____

WARNING
 Section 1010 of Title 18, U.S.C. Federal Housing Administration transactions, provides: "Whoever, for the purpose of influencing in any way the action of such Administration, makes, prints, utters or publishes any statement, knowing the same to be false, shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

(Do not sign the following certification until the Statement has been completed)

This Statement (including the revenue sale herself) is made by the undersigned for the purpose of obtaining the benefits of a mortgage loan to be or which may be insured under the provisions of the National Housing Act, and the undersigned hereby represents that to the best of his knowledge and belief, the statements, information and descriptions of the persons or institutions named in this statement. The Commissioner and mortgagee may verify the statements contained herein by communicating with any of the persons or institutions named in this statement. These statements will otherwise be treated as confidential.

The undersigned hereby certifies that to his (her) best knowledge and belief, no restriction upon the sale or occupancy of the property covered by this application, on the ground of race, color, or creed, has been filed of record at any time subsequent to February 15, 1950, and that, until the mortgagor has been paid in full or the contract of insurance otherwise terminated, he, she, will not file for record any restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed, or execute any agreement, lease or conveyance affecting such property which imposes any such restriction upon its sale or occupancy.

Note: The filing of record of such a restriction or covenant subsequent to February 15, 1950, will render a mortgage covering the property ineligible for mortgage insurance.

Mortgagor (Age) _____ Co-Mortgagor (Age) _____
 Employment Status—Proposed Purchase of Property acquired by FHA The statement in the above schedule E, as to employment and income therefrom has been verified by me at source

Date _____ (Property Manager or Broker)

EXHIBIT I-f(Face)

FHA FORM NO. 2004c-1
9/61

FEDERAL HOUSING ADMINISTRATION

Form Approved
Budget Bureau No. 63-R1034INSTRUCTIONS: Submit original
only with credit report and FHA
Forms 2004-1, 2004f, 2004g, and
2004k to FHA Insuring Office.SUPPLEMENT TO APPLICATION FOR ONE TO FOUR
FAMILY HOMES INSURED IMPROVEMENT LOAN
UNDER SECTIONS 203k and 220h

FHA Case No.

Lender's Name and Address

Borrower's Name and Address

Property to be improved - Address (If other than above)

BORROWER'S STATEMENT

A. ITEMS ESSENTIAL FOR ELIGIBILITY:

1. Do you intend to ☐ occupy the property or a unit thereof, ☐ rent, or ☐ sell?
If for rent answer the following: Is the dwelling to be covered by the insured loan a part of, or adjacent or
contiguous to, any project, subdivision or group of rental properties involving eight or more dwelling units? (Yes or No)
- If the answer is "Yes", Do you have any financial interest in such properties? (Yes or No)
If the answer is "Yes" furnish details as to the location of such properties and financial interest therein. (Yes or No)
2. Do you own four or more dwelling units which are subject to mortgages insured under any title of the National
Housing Act? (Yes or No) - If "Yes", execute mortgagor's contract with respect to Hotel and Transient use of property,
Form 2561, and submit with application.

B. ESTIMATED LOAN REQUIREMENTS

1. Contractor's bid or estimated cost of improvements \$
2. Engineering and architectural fees \$
3. FHA Application Fee \$
4. Loan originating and closing fees \$
5. Credit Report Fee \$
6. Other (Explain) \$
7. Other (Explain) \$
8. Other (Explain) \$
9. Total Amount of Loan Required \$

C. PRESENT INDEBTEDNESS RELATED TO THE PROPERTY: The following is a list of all outstanding secured or unsecured obligations in
connection with the property.

1. Name and Address of Creditor

Type of loan or indebtedness and indicate if FHA insured

Date of obligation	Original amount of obligation	Present unpaid balance	No. principal and interest	1/	Maturity date
\$	\$	\$	\$		

2. Name and Address of Creditor

Type of loan or indebtedness and indicate if FHA insured

Date of obligation	Original amount of obligation	Present unpaid balance	No. principal and interest	1/	Maturity date
\$	\$	\$	\$		

3. Name and Address of Creditor

Type of loan or indebtedness and indicate if FHA insured

Date of obligation	Original amount of obligation	Present unpaid balance	No. principal and interest	1/	Maturity date
\$	\$	\$	\$		

4. Name and Address of Creditor

Type of loan or indebtedness and indicate if FHA insured

Date of obligation	Original amount of obligation	Present unpaid balance	No. principal and interest	1/	Maturity date
\$	\$	\$	\$		

D. MONTHLY ACCRUALS:
Are monthly deposits required for taxes, hazard insurance, etc.,
in connection with any indebtedness stated in "C" above? ☐ Yes ☐ No

E. TAX EXEMPTIONS:

Are you entitled to tax exemptions on subject property? ☐ Yes ☐ No

NOTE: F through M do not apply to Corporate Borrowers. In lieu thereof attach current balance sheet and operating statement.

F. EMPLOYMENT STATUS: (Use separate statement for items F. 2 through M, for Co-applicant other than wife)

1. Applicant:
- (a) Employer's Name _____
- (b) Employer's Address _____
- (c) Type of Business _____
- (d) Position occupied _____
- (e) Name and Title of Supervisor _____
- * (f) No. of years in present employment _____
2. Co-Applicant:
- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____
- (f) _____

* NOTE - If less than 2 years attach rider giving some details with respect to prior employment.

FHA FORM NO. 2004c-1

EXHIBIT I-f (Reverse)

G. LIFE INSURANCE (ON APPLICANT)		H. FAMILY STATUS:		Age of
(1) Total in force \$	cash value \$	Number of years married		Wife
(2) Less amount of loans on policies		Age of dependent		
(3) Net cash surrender value		other than spouse		

I. FINANCIAL STATEMENT (Excluding equity and liability in connection with subject property.)
 (A combined statement may be made for applicants who are husband and wife. In other cases a separate statement must be filed for each borrower on Form 2004c-1. An applicant who derives his principal income from his own business must attach a current balance sheet and operating statement of the business.)

ASSETS		STATEMENT DATE	LIABILITIES	
Cash Accounts (List):			Accounts Payable (Except installment accounts)	\$
Where Deposited			Installment Account Payable, Automobile	
	\$		Monthly Payment	\$
Earnest money deposit on Purchase			Other Installment Accounts	
U. S. Bonds			Monthly Payment	\$
Stocks and other bonds:			Notes Payable Balance Due	
			Repayment terms for	Months
Estimated resale value of real estate owned, other than subject property, (from schedule J)			At \$	Per month
Other important assets (List or attach schedule):			Indebtedness on real estate, other than	
			Subject property (from schedule J)	
			Other liabilities	
			Repayment terms for	Months
			At \$	Per month
TOTAL	\$		TOTAL	\$

J. REAL ESTATE OWNED OTHER THAN SUBJECT PROPERTY (IF MORE THAN ONE PROPERTY IS OWNED ATTACH SEPARATE SHEET)
 Type and Address of Property

Name and Address of Mortgage	Estimated Resale Value	Indebtedness	Annual Payment to Pmt. & Int.	Estimated Annual gross income (a)	Estimated annual operating exp. including taxes (b)	Estimated Annual Net Income (a) (b)
	\$	\$	\$	\$	\$	\$

K. ANNUAL INCOME

Base Pay of applicant	\$
(Based upon current rate of earnings except earnings from commissions or fees which should be reported on the basis of the past 12 months.)	
Overtime or other employment earnings	
Base Pay of wife	
Annual overtime or other employment	
Earnings	
Net income from real estate (schedule J)	
Net income from other sources (list sources and amounts)	
TOTAL INCOME	\$

L. ANNUAL FIXED CHARGES (PAST 12 MONTHS)

Federal and State Income Tax	\$
Premium on Life Insurance	
Social Security & Retirement contributions	
Payments on installment accounts	
Mortgage or Contract Payments on other	
Real Estate (from schedule J)	
Payments on other loans	
TOTAL FIXED CHARGES	\$

M. APPROXIMATE HOUSING EXPENSE (PAST 12 MONTHS)

(a) Mortgage payment or Rent	\$
(b) Taxes and insurance	
(c) Heat	
(d) Water, gas, electricity	
(e) Maintenance	
TOTAL HOUSING EXPENSE	\$

Section 1010 of Title 18, U.S.C., "Federal Housing Administration transactions," provides: "Whoever, for the purpose of influencing in any way the action of such Administration, makes, possesses, offers or publishes any statement, knowing the same to be false, shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

(Do not sign the following certification until the Statement has been completed.)
 This Statement (including the reverse side hereof) is made by the undersigned for the purpose of obtaining the benefit of a loan to be or which may be insured under the provisions of the National Housing Act, and the undersigned hereby represents that to the best of his knowledge and belief, the statements, information, and descriptions contained herein are in all respects true, correct, and complete. The Commissioner and Lender may verify the statements contained herein by communicating with any of the persons or institutions named in this statement. These statements will otherwise be treated as confidential.

Signature - Borrower	Age	Co-Borrower	Age
----------------------	-----	-------------	-----

LENDER'S STATEMENT

Principal amount of loan	Interest Rate (per annum)	No. of equal monthly payments	It is proposed that this loan, if made, will be secured by:
\$	%		(Describe security)

A credit report from: _____ agency, is attached.

FHA Form 2004f, request for verification of deposits is attached.

FHA Form 2004g, request for verification of employment is attached.

FEDERAL HOUSING COMMISSIONER. The undersigned lender hereby applies for a commitment to insure a proposed loan to the named borrower, is approved. The undersigned represents that to the best of its knowledge and belief all statements made in this application and in the attachments or other supporting documents executed in connection therewith, are true, correct, and complete. IN WITNESS THEREOF the undersigned has caused this application to be executed by its proper officers, there unto duly authorized this _____ day of _____, 19____.

Signature and title of lender officer



Office of
THE COMMISSIONER

EXHIBIT I-g (Face)
FEDERAL HOUSING ADMINISTRATION
Washington 25, D. C.

July 28, 1961

TO: ALL APPROVED MORTGAGEES

61 - 14

SUBJECT: CREDIT REPORTS

The directive of April 20, 1961 covering procedure and quality with reference to credit reports submitted by approved mortgagees is hereby rewritten to further clarify the intent and objectives of FHA's policy.

The high percentage of poor quality credit reports sent in with applications required a change with respect to the submission of reports.

Experience has shown that a substantial amount of this difficulty has been caused by the practice of lending institutions accepting credit reports obtained by builders, brokers, salesmen and others for transmittal with FHA applications. In many instances these reports were made by reporting agencies which did not have the facilities for providing the quality of information needed for FHA's mortgage credit analysis.

Effective July 1, 1961 lending institutions were required to order direct from reporting agencies the credit reports submitted in connection with insured loan applications. Further, the standard of such reports must at least equal the minimum quality and amount of information required by FHA in its contract awards to agencies supplying reports direct to FHA.

At the request of a representative number of mortgagees it has been decided that approved mortgagees may delegate their authority to order credit reports from a specific credit reporting agency, provided that when so ordered the credit agency will send the report direct to the approved mortgagee or to the FHA. Under the foregoing arrangement the delegated agent of the mortgagee may not be one who is also acting as the agent for and is collecting a fee from the mortgagor for obtaining mortgage financing.

Both items 2 and 3 under Remarks in the sample report have been reworded to fully clarify their objectives.

With reference to Item 2, most metropolitan areas have a daily recording service that checks, publishes and distributes to subscribers all activity in the public records of the community. Credit reporting agencies that use such services to build their report records will be considered as having met our requirements. In some instances if distances and other conditions may make it impossible to comply with Item 2 the reasons should be so stated on the report. Acceptability of the report will then be determined by FHA after considering all other available information.

The FHA does not specify credit reporting agencies that are acceptable or unacceptable. Any credit reporting agency that can supply the credit information that we need, as specified on the report form, will be acceptable for reporting purposes.

Regarding Item 3, the credit report forms must contain direct answers to and compliance with the language of our standard factual data report, a sample copy of which is printed on the reverse of this letter. This statement permits credit reporting agencies to check the subject's credit accounts directly through the principal department stores, if any, and the principal general stores extending such credit in the community in which he resides. It also permits the information to be obtained in detail from accumulated credit records from such sources.

Report forms must be furnished by the reporting agencies.

Sincerely yours

Neal J. Hardy
Commissioner

EXHIBIT I-g(Reverse)

FHA STANDARD FACTUAL
DATA REPORTFACTUAL DATA REPORT ON BORROWER
FEDERAL HOUSING ADMINISTRATION FORM
REPORT IN DUPLICATE

SAMPLE

Correct name and address _____

Date _____ 19 _____

Name _____

Case number _____

Address _____

Property address _____

- 1-A. Do name and address agree with information shown on request for report? If not, explain below
- B. Approximate age of subject
- C. Marital status - number of dependents
- D. Length of time married

- 1-A.
- B.
- C. Dependents:
- D.

- 2-A. Is his general reputation as to character, habits, and morals good?

2-A.

- B. Did you learn of any domestic difficulties?
- C. Does he have the reputation of living within his income?

- B.
- C.

- 3-A. Name of employer
- B. Position held - length of present connection
- C. Is his employment here reasonably secure?
- D. Does he work full time steadily? (If not, how many days per week?)

3-A.

Years _____

- B.
- C.
- D.

- E. Has his employment status changed within the past two years?

E.

- F. Has his health interfered with his progress?

F.

- 4-A. Annual earned income from his employment or business
- ☐ Exact ☐ Estimated

A. \$

- B. Approximate income, if any, from other sources. (Investments, rentals, avocations, contributions)

B.

- C. About what would you estimate his net worth

C.

- D. If his wife is employed, give name of her employer

D.

- E. Position she holds - Approximate income

E.

Income \$ _____

- F. Approximate number of years she has been employed

F.

REMARKS: 1. Amplify his business history. (This report shall contain information as to the subject's previous employment status, location and salary, if there has been a change in employment status within the past two years.)

2. Public records have been checked for suits, judgments, garnishments, bankrupt, and other legal actions involving the subject (or equivalent results have been obtained through the use of a qualified public records reporting service) with the following results. (Give details).

3. The subject's credit record in the payment of bills and other obligations has been checked through the credit accounts extended by the principal department stores, if any, and the principal general stores of the community (or through accumulated credit records of such sources) in which the subject resides, with the following results:

Kind of Business	Selling Since	High Credit	Owing	Past Due	Monthly Installments	Paying Record

FHA FORM NO. 3004 F
Rev. 1-57

EXHIBIT I-h

Form approved
Budget Bureau No. 65-R2061REQUEST FOR VERIFICATION
OF DEPOSIT

In an application made to the undersigned institution for a loan to be insured by the Federal Housing Administration, the above-named borrower has indicated in his financial statement the balance on deposit with you as shown on this form.

Name and Address of Bank or Other Depository

1. FHA Case No.
(When available)

2. NAME OF APPLICANT

3. ADDRESS

4. Date

5. Balance

6. Type of Account

This confirmation is to be forwarded to us for the confidential use of ourselves and the Federal Housing Administration together with any other information that may be of assistance in rendering a decision.

Any statements on your part or on the part of any of your officers as to the responsibility or standing of any person, firm or corporation is a matter of opinion and given as such, and solely as a matter of courtesy, and for which no responsibility is attached to your institution or any of your officers.

7. Date

8. Address

9. Mortgagee

The applicant's signed application contains the following statement:

"The Commissioner and Mortgagee may verify the statements contained herein by communicating with any of the firms or institutions named in this statement."

VERIFICATION OF BANK OR OTHER DEPOSITORY

10. Is statement approximately correct?	<input type="checkbox"/> YES <input type="checkbox"/> NO	If "No," amount	
11. Account less than 2 months	Date opened	13. Loans outstanding to applicant	
12. Approximate balance past 2 months	Average	SECURED	UNSECURED
14. Additional information		\$	\$

This information is furnished to you in strict confidence in response to your request and is solely for use by you and the Federal Housing Administration in connection with the above application for a loan.

15. Date

16. Official title

17. Signature

FHA Form No. 2004 G
Revised 8-59

EXHIBIT I-1

Form approved:
Budget Bureau No. 63-R2673REQUEST FOR VERIFICATION
OF EMPLOYMENT

1. NAME OF APPLICANT

2. FHA Case No.
(when available)

3. ADDRESS OF APPLICANT

INSTRUCTIONS Initiated by Mortgagee and forwarded to Applicant's Employer for
completion and return.

Name and Address of Applicant's Employer:

To Employer:

An application has been made by the above
named applicant for a mortgage loan to be
made by this institution and insured by the
Federal Housing Administration. The confir-
mation requested is to be forwarded to us for
the confidential use of ourselves and the Fed-
eral Housing Administration.

The Applicant's signed statement contains the following:

The Commissioner and Mortgagee may verify the statements contained herein by communicating with any firm or institutions named in this statement.

4. Date

5. Mortgagee

EMPLOYER'S VERIFICATION

6. Present position

7. Length of employment

8. PRESENT RATE OF PAY*

ANNUAL

HOURLY

Name and Address of Mortgagee

\$

\$

APPROXIMATE ANNUAL EARNINGS

Regular schedule

\$

Overtime work

\$

Commissions or bonus

\$

* If applicant is in military service please report income on a monthly basis as follows:

Base pay \$ _____ quarters and subsistence \$ _____ Right or hazard duty allowance \$ _____

9. Probability of continued employment

10. Other remarks

The above is furnished you in strict confidence in response to your request

11. Date

12. Signature of employer

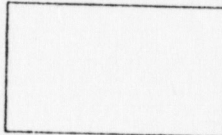
D 32

EXHIBIT I-j(Face)

FHA FORM NO. 2201-G
Revised June 1959

FEDERAL HOUSING ADMINISTRATION

Form Approved
Budget Bureau No. 65-R558.4



APPLICATION FOR
CONDITIONAL COMMITMENT

ON A GROUP SUBMISSION OF
5 OR MORE PROPERTIES

(To be submitted in Triplicate to Insuring Office)

No. _____ to _____
Incl. _____
(To be inserted by FHA)

FEDERAL HOUSING COMMISSIONER,

Dear Sir:

The undersigned hereby applies for a conditional commitment to insure separately, under the provisions of Section ☐ 203 ☐ of the National Housing Act, a proposed mortgage loan on each of the properties described in the Schedule of Properties, FHA Form 246, sheets _____ to _____ inclusive, attached and made a part hereof, each for an amortization period of _____ years, to a borrower possessing a credit standing and other qualifications satisfactory to you.

It is understood that each of the proposed loans, as described on the attached FHA Form 2461, if made, will be secured by a first lien upon the property.

Enclosed is a check of the undersigned for \$ _____ an amount which has been computed in accordance with the Regulations, such payment to represent reimbursement for the costs of appraisal by the Commissioner. Should you reject this application or any part thereof as a result of preliminary examination, such sum or appropriate portion thereof will be returned by you to the undersigned. It is understood that credit for the above sum will be allowed on any fees which will be required in connection with an application for mortgage insurance on the same property, if submitted prior to the expiration of the conditional commitment.

DATA -

1. Subdivision name _____
Location _____
2. Date land purchased or optioned _____ From whom purchased or optioned _____
Total purchase price \$ _____ (Purchase price per lot \$ _____ or per acre \$ _____)
Total balance due \$ _____ Refund amount per lot \$ _____ or per acre \$ _____
Estimated cost of offsite improvements \$ _____
3. Leasehold ☐; Remaining Term _____ years; Renewable ☐ Not Renewable ☐ Unusual lease provisions _____
4. Does owner intend to rent or sell these properties? ☐ Rent ☐ Sell
5. List proposed sales price by building types _____
6. Is the property subject to the lien of special assessments? _____
If so are they ☐ Prepayable ☐ Non-prepayable. Total Amount \$ _____
Amount payable annually \$ _____ bearing _____ % interest per annum, for the remaining term of _____ years.
7. The undersigned has not previously applied for an insured mortgage loan upon this property except as follows: _____

The Schedule of Properties, FHA Form 2461 and the applicable exhibits listed on the reverse side of this page submitted herewith are made a part of this application, and the undersigned represents that to the best of its knowledge and belief, all statements, information, and descriptions herein given are in all respects true, correct and complete.

(Mortgagee)

(Address)

By _____
(Name and Title of Officer)

EXHIBIT I-J (Reverse)

EXHIBITS REQUIRED WITH APPLICATION

The following exhibits, properly identified by the mortgagor as part of the application, shall be submitted in triplicate:

- A. Development plan including all properties on the Schedule of Properties, FHA Form 2461, showing the following information:
 1. The delineation of each property, dimensioned and identified with the lot and block number.
 2. Location of proposed buildings, with dimensions of side yards and setbacks from streets.
 3. Location of walks, driveways and other improvements on each property, unless indicated on a typical lot plan for each house type.
 4. Identification of the house type on each property.
 5. Legally established street elevation at corners of each property.
 6. First floor elevation in relation to legally established street elevations.
 7. Location and dimensions of easements for drainage, utilities, etc.
 8. Other information such as data regarding topography, utilities, street improvements, drainage, retaining walls, screen planting, etc. as requested by local FHA office.
- B. Complete drawings for each house type including all floor plans, all elevations, sectional wall details, and heating layout.
- C. Outline specifications for each house type on FHA Form 2005, Description of Materials, completely filled out.
- D. If an individual water-supply and/or sewage-disposal system is proposed, separate exhibits, as required by the local FHA office, must be submitted.
- E. Certified copy of General Construction Contract, if any.

NOTE

The service provided through the issuance of Conditional Commitments to Approved Mortgagees is for the benefit of such approved mortgagees acting in their own behalf or in behalf of Operative Builders, Real Estate Developers and Operators, or in behalf of Property Owners where the Mortgagor is not specified and where the Mortgagee is willing to make the loan when a satisfactory Mortgagor is presented.

Applications for Conditional Commitment, on a Group Submission, presented through approved mortgagees, permit the determination of the eligibility of proposed properties as security for insured mortgage loans as well as the maximum amount of loan which will be insured when a subsequent borrower is presented whose credit standing is satisfactory to this Administration.

"Applications for Conditional Commitment on a Group Submission" may be made to the Federal Housing Administration by Approved Mortgagees on proposed construction only.

IMPORTANT**Notice to Mortgagee**

Prior to submitting this type of application Subdivision Information, FHA Form 2084 and related exhibits if required by FHA should be prepared as advised by FHA and transmitted to local FHA office. Other required exhibits as listed above should not be prepared prior to advice from FHA as to the suitability of the development program and general plan of streets and lot layout.

EXHIBIT I-k(Face)

FHA Form No. 2003-G
Revised 3/59

FEDERAL HOUSING ADMINISTRATION

Form Approved
Budget Bureau No. 63-1545-5MORTGAGEE'S APPLICATION
FOR MORTGAGE INSURANCEON A GROUP SUBMISSION OF
5 OR MORE PROPERTIES

No. _____ to

_____ Incl.
(To be inserted by FHA)

(To be submitted in Triplicate to Insuring Office)

FEDERAL HOUSING COMMISSIONER,
Dear Sir:

Pursuant to the provisions of Section ☐ 203 ☐ of the National Housing Act, the undersigned hereby applies to you for the separate insurance of a mortgage loan on each of the properties described in the Schedule of Properties, FHA Form 2461, sheets _____ to _____ inclusive, attached and made a part hereof. If this application is approved, the undersigned proposes to make such mortgage loans to _____

(Mortgagors)

Such mortgage loans will be in the principal amounts as shown on Mortgagee's Schedule above mentioned, bearing interest at _____ per centum per annum and payable in _____ equal monthly installments and will be secured by a first lien upon the real property described in said Mortgagee's Schedule. In support of this application the mortgagee submits herewith the Mortgagor's Statement and Exhibits as set forth on reverse side of this form, and will submit such additional exhibits, credit reports, or information as you may require.

A commercial credit report from _____ agency: ☐ is attached; ☐ was ordered for direct delivery to you.

The undersigned hereby expressly agrees with respect to each of the mortgage loans, that in the event the insurance herein applied for is granted by you, to pay to you an annual premium in accordance with the Regulations of the Federal Housing Commissioner, the first premium payment to be made simultaneously with the granting of such insurance, and until the mortgage is paid in full, or the mortgaged property is acquired by the Commissioner, thereafter on the same date in each year as that on which the amortization period begins; and further agrees that if the mortgagors shall pay such loan in full prior to its maturity, the undersigned will pay to you the adjusted premium charge required in such event by the applicable Regulations. The undersigned further agrees that immediately upon the granting by you of the insurance herein applied for all of the terms and conditions subject to which such insurance may be granted, shall be and become a contract between the undersigned and you which shall be binding upon and insure to the benefit of its and your successors.

Enclosed is a check of the undersigned for \$ _____ an amount which has been computed in accordance with the Administrative Rules, such payment to represent reimbursement for the costs of appraisal by the Commissioner. It is understood that should this application be rejected by you as a result of preliminary examination, such sum will be returned by you to the undersigned.

The undersigned represents that to the best of its knowledge and belief no statement made and no information contained in this application, in the Mortgagor's Statement, or in the mortgagor's exhibits, executed in connection with this application is in any respect untrue, incorrect or incomplete.

This application may be construed as being in effect a separate application with respect to each of the mortgage loans described in the Mortgagee's Schedule attached hereto.

IN WITNESS WHEREOF, the undersigned has caused this application to be executed by its proper officers, thereunto duly authorized, this _____ day of _____, 195 _____.

(Mortgagee)

(Address)

By _____
(Name and Title of officer)

IMPORTANT

Notice to Mortgagee

Prior to submitting this type of application Subdivision Information, FHA Form 2084 and related exhibits, if required, should be prepared as advised by FHA and transmitted to local FHA office. Other required exhibits as listed on the reverse side hereof should not be prepared prior to advice from FHA as to the suitability of the development program and general plan of street and lot layout.

EXHIBIT I-k (Reverse)

MORTGAGORS' STATEMENT

1. Subdivision name _____
Location _____
2. Date land purchased or optioned _____ From whom purchased or optioned _____
Total purchase price \$ _____ Purchase price per lot \$ _____ or per acre \$ _____
Total balance due \$ _____ Release amount per lot \$ _____ or per acre \$ _____
Estimated cost of offsite improvements \$ _____
3. Leasehold ☐; Remaining Term _____ years; Renewable ☐ Not Renewable ☐ Unusual lease provisions _____
4. Do you intend to sell or rent these properties? ☐ Sell ☐ Rent
5. Is the property subject to the lien of special assessments?
If so, are they ☐ Prepayable ☐ Non-prepayable Total Amount \$ _____ Payable Annually \$ _____
bearing _____ % Interest per annum, for the remaining term of _____ years.
6. Have you incurred or do you intend to incur any indebtedness, secured or unsecured, other than that of the mortgage loan applied for, for any purpose connected with this transaction? ☐ Yes; ☐ No. If answer is yes, give complete details, including description of any security offered _____

WARNING

Section 1010 of Title 18, U. S. C. "Federal Housing Administration transactions," provides: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, passes, utters, or publishes any statement, knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

RACIAL RESTRICTION CERTIFICATE

The undersigned hereby certifies that to his (their) best knowledge and belief, no restriction upon the sale or occupancy of the property covered by this application, on the ground of race, color, or creed, has been filed of record at any time subsequent to February 15, 1950; and that, until the mortgage has been paid in full or the contract of insurance otherwise terminated, he (they) will not file for record any restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed, or execute any agreement, lease, or conveyance affecting such property which imposes any such restriction upon its sale or occupancy.

NOTE:--The filing of record of such a restriction or covenant subsequent to February 15, 1950, will render a mortgage covering the property ineligible for mortgage insurance.

(Do not sign the following certification until the Mortgagors' Statement has been completed.)

This Mortgagors' Statement and the exhibits submitted herewith are made by the undersigned for the purpose of obtaining the benefits of a mortgage loan to be insured under the provisions of the National Housing Act, and the undersigned hereby represent that to the best of their knowledge and belief, the statement, information, and descriptions contained herein are in all respects true, correct, and complete. The Commissioner and mortgagee may verify the statements contained herein by communicating with any of the persons or institutions named in this application. These statements will otherwise be treated as confidential.

(Signed) _____

Mortgagor

Co-Mortgagor

(Mortgagors' present address)

(Telephone number)

(Date)

MORTGAGORS' EXHIBITS

The following exhibits, properly identified by the mortgagor as part of the application, shall be submitted:
(Number of copies of each as requested by local FHA Insuring Office)

- A. Development plan including all properties on the Schedule of Properties, FHA Form 2461, showing the following information:
 1. The delineation of each property, dimensioned and identified with the lot and block number.
 2. Location of proposed buildings, with dimensions of side yards and setbacks from streets.
 3. Location of walks, driveways and other improvements on each property, unless indicated on a typical lot plan for each house type.
 4. Identification of the house type on each property.
 5. Legally established street elevation at corners of each property.
 6. First floor elevation in relation to legally established street elevations.
 7. Location and dimensions of easements for drainage, utilities, etc.
 8. Other information such as data regarding topography, utilities, street improvements, drainage, retaining walls, screen planting, etc. as requested by local FHA office.
- B. Complete drawings for each house type including all floor plans, all elevations, sectional wall details, and heating layout.
- C. Outline specifications for each house type on FHA Form 2005, Description of Materials, completely filled out.
- D. If an individual water-supply and/or sewage-disposal system is proposed, separate exhibits, as required by the local FHA office, must be submitted.
- E. Certified copy of General Construction Contract, if any.
- F. Recent Balance Sheet and Operating Statement. (To be submitted with the initial application for each development and thereafter as required by the local FHA office.)

EXHIBIT I-1 (Face)

FMA Form No. 2461
Rev. Aug. 1954

FEDERAL HOUSING ADMINISTRATION
SCHEDULE OF PROPERTIES

Form Approved
Budget Bureau No. 63-R680.4
Sheet No: _____ of _____ Sheets

Securing blanket mortgage loan

(To be submitted in seven (7) copies to Insuring Office)

Project number

(To Be inserted by FHA)

Mortgagee _____ Date _____

Wortgagor _____ Jones _____

Subdivision _____ Date and location _____

Lot and block numbers below refer to drawing dated _____ and titled _____

A. (To be filled in by FHA)

Total mortgage amount approved \$

B. (To be filled in by mortgagor)

C. (To be filled in by PBA)

[illegible]

EXPLANATORY NOTES

Col. 1 "Identity Number" - number consecutively 1, 2, 3, 4, etc.

Col. 4 "Unit Mortgage Amount Requested" - means proportionate amount of mortgage applicable to each property, as requested by mortgagee.

Col. 8 *FHA Appraised Value of Unit* - The amount entered in this Column represents the appraised value of the individual dwelling unit to be purchased by the member.

Col. 6 "Unit Mortgage Amount Approved (Original Release Price)" - the amount entered in this column represents the proportionate amount of the total mortgage applicable to the individual property, approved by this Administration, which is also the amount of the original release price. The total of the amounts listed in this column must equal the figure for the total mortgage amount approved as inserted in the space in Part A of this schedule.

SCHEDULE OF PROPERTIES (CONTINUED)

[illegible]

EXHIBIT 1-a

Amount Insurable	Loan-Value Ratio	Term of Loan and Interest Rate
Section 203(b): Finance proposed or existing dwellings		
<p>Occupant mortgagor</p> <p>\$25,000, 1-family</p> <p>\$27,500, 2- or 3-family</p> <p>\$35,000, 4-family</p> <p>\$9,000 if property meets only MPS for low-cost housing</p> <p>Non-occupant mortgagor</p> <p>\$21,700, 1-family</p> <p>\$23,300, 2- or 3-family</p> <p>\$29,700, 4-family</p> <p>If escrow commitment procedure is used:</p> <p>Same as for occupant mortgagor, subject to 15% escrow pending sale to an acceptable owner-occupant within 18 months</p>	<p>Occupant mortgagor</p> <p>A. Proposed construction, or construction completed 1 year or more: 97% of \$15,000 of appraised value + 90% of value above \$15,000 but not over \$20,000 + 75% of value above \$20,000</p> <p>B. Construction begun and completed less than 1 year: 90% of \$20,000 of appraised value + 75% of value above \$20,000</p> <p>C. Refinancing: Existing indebtedness plus cost of repairs, alterations or additions to the property, or 85% of amount available to occupant mortgagor, whichever is the greater</p> <p>Non-occupant mortgagor</p> <p>85% of amount computed under foregoing formula if escrow commitment procedure is used:</p> <p>Same as occupant mortgagor, subject to 15% withheld from mortgage proceeds and placed in escrow pending sale to an acceptable occupant mortgagor within 18 months</p>	<p>30 years, or for proposed construction, 35 years; but not more than 3/4 of the remaining economic life of the structure.</p> <p>5 1/4%</p>
Section 203(h): Finance dwellings for owner-occupant borrowers. Disaster Housing.		
<p>\$12,000 (\$6,000 if property meets only MPS for low cost housing)</p>	<p>100% of appraised value</p>	<p>30 years, or for proposed construction, 35 years; but not more than 3/4 of the remaining economic life of the structure.</p> <p>5 1/4%</p>
Section 203(i): Low Cost Housing		
<p>Occupant mortgagor \$9,000</p> <p>Operative builder \$7,850</p>	<p>Occupant mortgagor</p> <p>A. Proposed construction, or construction completed 1 year or more: 97% of appraised value</p> <p>B. Construction begun and completed less than 1 year: 90% of appraised value</p> <p>Operative builder</p> <p>Proposed construction: 85% of appraised value</p>	<p>30 years, or, for proposed construction, 35 years; but not more than 3/4 of the remaining economic life of the structure.</p> <p>5 1/4%</p>
Section 203(k): Alteration, repair, and improvement of existing structures outside urban renewal areas. The minimum loan amount is \$2,500 unless the loan is primarily for construction of a civil defense shelter or for reconstruction of properties damaged by an occurrence determined by the President to be a major disaster.		
<p>\$10,000 per family unit (but not more than \$34,000 on a 4-family dwelling)</p>	<p>Amount of loan plus any outstanding debt related to the property cannot exceed ratio insurable under Section 203(b)</p>	<p>20 years or 3/4 of remaining economic life of the structure, whichever is less.</p> <p>6%</p>

D 39
Sentencing Minutes of Florence Behar

1 UNITED STATES DISTRICT COURT
2 EASTERN DISTRICT OF NEW YORK

3 -----x

4 UNITED STATES OF AMERICA :

5 -against- :

72 CR 587

6 FLORENCE BEHAR, :

7 Defendant. :

8 -----x

9
10
11 United States Courthouse
Brooklyn, New York

12 October 4, 1974
13 10:00 a.m.

14
15 B e f o r e :

16 HONORABLE ANTHONY J. TRAVIA, U.S.D.J.
17

18
19 CRIMINAL CAUSE FOR SENTENCING

20
21 MICHAEL PICOZZI
22 OFFICIAL COURT REPORTER
23
24
25

Appearances:

DAVID G. TRAGER, ESQ.
United States Attorney
for the Eastern District of New York

BY: ANTHONY T. ACCETTA, ESQ.
Assistant United States Attorney

MR. R. ROSENKRANZ, ESQ.
Attorney for Defendant

- - -

D 41

1 THE COURT: United States against Florence Behar
2 for sentence.

3 Mrs. Behar, Mr. Rosenkranz.

4 MR. ROSENKRANZ: Yes, your Honor. Good morning.

5 THE COURT: I sent out to you the probation
6 report.

7 MR. ROSENKRANZ: Yes.

8 THE COURT: Have you had a chance to look at
9 it?

10 MR. ROSENKRANZ: Yes.

11 THE COURT: Is there anything you think ought
12 to be brought to my attention?

13 MR. ROSENKRANZ: I don't completely agree with
14 the interpretation of the facts. Your Honor having
15 heard the trial, I don't think it's necessary to go
16 into that.

17 There are some letters that were not attached
18 to the probation report. There was a letter from two
19 doctors and also a personal letter.

20 THE COURT: Unless attached to one of the
21 pre-sentence reports --

22 MR. ROSENKRANZ: They were letters from
23 Dr. Fellstein who is the doctor of Mrs. Behar's husband.

24 THE COURT: Was that sent to the Probation
25 Department or to me?

1 MR. ROSENKRANZ: They were all sent to the
2 Probation Department.

3 THE COURT: I don't have them in my folder.
4 Is a representative of the Probation Department here?

5 MR. ROSENKRANZ: I don't see them here, your
6 Honor.

7 THE COURT: When were they sent?

8 MR. ROSENKRANZ: Dr. Fellstein's letter had to
9 be sent because there is a quotation in the report
10 from the doctor's letter.

11 THE COURT: It is addressed to me but I never
12 got it.

13 MR. ROSENKRANZ: There is also a letter from
14 Philip Jacobs, one from Isidore Sisco. There is one
15 from Dr. Hott, the doctor who treats the defendant's
16 son.

17 THE COURT: This letter by Dr. Fellstein refers
18 to her husband's condition which I read. This is a
19 letter by Dr. Fellstein dated July 6, 1974.

20 I would like to know how letters addressed to
21 me go to the Probation Department without me seeing
22 them.

23 PROBATION OFFICER: I don't know.

24 THE COURT: You better tell them if they get
25 any letters addressed to me they better refer them

D 43

1 to me in a hurry. If I feel they should know about
2 it I will send them a copy. Nobody takes my mail
3 without me knowing about it and never showing it to
4 me besides.

5 MR. ROSENKRANZ: Your Honor, they were mailed
6 to the Probation Officer for your Honor.

7 THE COURT: That is all right. If the Probation
8 Department gets letters addressed to me they better
9 let me see them.

10 MR. ROSENKRANZ: I want to make it clear nobody
11 was opening your mail.

12 THE COURT: You tell it to Mr. Harran. I'm not
13 sure it's his fault. But you had better make sure I
14 get them.

15 If you don't mind, Mr. Rosenkranz, I am going
16 to take a moment to read this.

17 (Pause.)

18 THE COURT: I read a letter from Dr. Fellstein
19 dated July 6, 1974. I read the letter written by
20 Dr. Hott dated June 28, 1974 which refers to Robert
21 Nelson Behar.

22 MR. ROSENKRANZ: I'm sorry, your Honor, I didn't
23 hear.

24 THE COURT: The last letter refers to Mrs. Behar's
25 son.

1 I have read a letter written by Mr. Bennedetto
2 J. Inviglia, president of a trucking company dated
3 August 1, 1974. He talks of Mrs. Behar and the
4 relationship between him and members of her family.

5 I gather that the reason you are sending me a
6 photostat of the letter by Senator Robert Garcia --

7 MR. ROSENKRANZ: Well, your Honor --

8 THE COURT: You can have it back. It's what I
9 have done with the others.

10 Then I have one dated August 5, 1974 by
11 Mr. Isidore Sisco who is the division representative
12 of the Board of Education. He talks of having known
13 Mrs. Behar and her family since 1962. And attests to
14 the honesty, integrity and sincerity of Mrs. Behar
15 as well as her moral character.

16 I have read a letter signed by Mr. Philip
17 Jacobs, President of the E.B. Metal and Rubber
18 Industries, Incorporated dated July 8, 1974.

19 Mr. Accetta, do you want to look at the letters?

20 MR. ACCETTA: If your Honor feels it's approp-
21 riate, I will be happy to.

22 THE COURT: Do I have them all now,
23 Mr. Rosenkranz?

24 MR. ROSENKRANZ: Yes. In addition there were
25 three attached to the report.

1 THE COURT: Attached to the report only because
2 I put them there. The first one is dated August 9,
3 1974, signed by Mr. Joseph Monserrat who is a member
4 of the Board of Education dated August 9.

5 The other is by Judge Antonio Figueroa dated
6 August 8, 1974 of the Criminal Court of the City of
7 New York.

8 The last one is written, as I referred before,
9 from State Senator Robert Garcia dated August 6, 1974.

10 MR. ROSENKRANZ: That completes the letters,
11 Judge.

12 THE COURT: Now, I have seen the extra letters,
13 Mr. Rosenkranz, is there anything you wish to say
14 about the report?

15 MR. ROSENKRANZ: Not about the report, your
16 Honor.

17 THE COURT: We can proceed to the sentencing?

18 MR. ROSENKRANZ: Yes, your Honor.

19 THE COURT: Mrs. Behar, you are one of the
20 defendants named in the superseding indictment
21 contained in File No. 72 CR 587. And one of the
22 defendants named in the redacted indictment that was
23 sent to the jury, which jury found you guilty on a
24 number of counts.

25 Is there -- the gentleman standing to your

D 46

1 right is Mr. Rosenkranz your court appointed lawyer,
2 is that correct?

3 MRS. BEHAR: Yes.

4 THE COURT: Are you satisfied with the way he
5 handled your matter?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you want him to appear for you
8 at this sentencing?

9 THE DEFENDANT: Yes.

10 THE COURT: Now, Mr. Rosenkranz, is there any
11 reason why judgment should not now be pronounced against
12 Mrs. Behar?

13 MR. ROSENKRANZ: No, your Honor.

14 THE COURT: Do you have any comment with respect
15 to the terms and conditions of the sentence?

16 MR. ROSENKRANZ: Yes, I do.

17 Your Honor, I believe it's necessary to go into
18 the facts of the case somewhat to show the participation
19 or the alleged participation of Mrs. Behar. In this
20 case the only -- or I should say the primary --
21 witness who testified against Mrs. Behar was
22 Mrs. Kapraki. And since there has been a jury verdict
23 it is not appropriate to go behind that verdict. Even
24 assuming from Mrs. Kapraki's testimony as to the false
25 statement counts, Mrs. Kapraki stated that she had to

1 lie to Mrs. Behar about the facts contained in the
2 statement. That she had to lie about what was being
3 set forth on the applications. That despite the tips,
4 and that was the word Mrs. Kapraki used, that despite
5 the tips she was giving to Mrs. Behar she still could
6 not confide in her concerning what she was saying on
7 the false statement counts.

8 So the jury verdict reflected an indication
9 that perhaps Mrs. Behar should have looked more deeply
10 or investigated because it was her duty to sign the
11 application. But as we brought out there is nothing
12 in Mrs. Behar's background to indicate she would have
13 this type of credit analysis or background to be able
14 to investigate because of the volume of cases she was
15 processing. And that was her job. She was a pro-
16 cessor, the chief processor.

17 As to the bribery counts, again Mrs. Kapraki
18 was the only witness. She admitted that she herself
19 bribed before and after she ever met Mrs. Behar. She
20 testified her only connection with Mrs. Behar was
21 that Mrs. Behar brought her to the parties who
22 actually introduced her to the government officials
23 who would take the bribe and told her what to do.
24 She did not say that Mrs. Behar knew what she was
25 bringing her there for.

1 Again, there is a question which the jury found
2 against the defendant so I won't go behind that. The
3 point I want to raise is Mrs. Behar herself had no
4 contact with any Government officials; never was
5 present when any bribe took place; never passed any
6 money to anyone.

7 Her sole contact was supposed to have been in
8 bringing Mrs. Kapraki to the Bernsteins.

9 Certainly, we have to consider her separate and
10 apart. She did not make a great deal of profit. The
11 probation report indicates they believe she made
12 approximately \$10,000 in toto. This is not conceded
13 either.

14 But again, she was a salaried person. The
15 probation report indicates she lived in a four-room
16 garden apartment. She doesn't live in a high style,
17 she has a '65 Chevrolet and a '71 Chevrolet in the
18 family. There is not a great deal of money. There
19 never had been.

20 The probation report also indicates that she
21 was the oldest of many children and brought up her
22 family. She had to raise her younger brothers and
23 sisters and did a good job in doing so.

24 Everyone in the family always has been a credit
25 to the community.

1 She had a great deal of family problems as
2 indicated by the letters from the doctors. Her
3 husband is a 50-percent disabled veteran who recently
4 suffered a stroke with other complications indicated in
5 the letter. There is no money to provide for the type
6 of care this man requires. Mrs. Behar has been
7 providing those services.

8 Her son has psychiatric problems of a serious
9 nature. She takes care of him.

10 I think that in view of the mercy which your
11 Honor is capable of, and which your Honor has given
12 to the actual Government official who took bribes not
13 only from Kapraki and others but from other people,
14 from Kapraki who was bribed before, during and after
15 her arrest in her case, and she admitted from the
16 witness stand that she gave bribes after she had been
17 questioned by Mr. Accetta and she told us about the
18 confrontation with Mr. Accetta after she had been a
19 cooperating witness when she had to admit she was
20 giving bribes to Government officials while a cooperat-
21 ing witness. In view of those circumstances, I believe
22 to ask for that type of mercy for a woman like
23 Mrs. Behar is not asking for too much.

24 THE COURT: We have the corporation and all
25 the other defendants were part of the corporation in

1 some capacity.

2 MR. ROSENKRANZ: They were the owners of the
3 corporation. There is no question --

4 THE COURT: No, sir, Mrs. Behar was a Vice
5 President.

6 MR. ROSENKRANZ: She was an Assistant Vice
7 President. There was an error in the report which I
8 didn't bother mentioning because I knew your Honor
9 knew that from the trial. She does not own a piece
10 of stock. That is a matter of public record. She
11 doesn't own stock and doesn't get dividends and is
12 a salaried employee.

13 THE COURT: Mr. Bernstein straightened that
14 out and said he was the sole stockholder and had
15 complete control of the corporation. Mrs. Alpert
16 and Mrs. Behar were part of that outfit.

17 MR. ROSENKRANZ: An employee.

18 THE COURT: At least to the extent that was
19 elicited during the course of the trial.

20 MR. ROSENKRANZ: It was also brought out during
21 the course of the trial that she was an officer of the
22 corporation because an officer of the corporation had
23 to sign those applications. That's the reason for
24 making her an officer.

25 THE COURT: A person doesn't have to commit a

1 crime to keep the job, she can tell the boss where to
2 get off.

3 MR. ROSENKRANZ: They can and they should,
4 that's true.

5 THE COURT: That's what the jury had before them.

6 MR. ROSENKRANZ: What I am suggesting is her
7 culpability is not to be measured in the same way
8 as we have to measure others.

9 THE COURT: I certainly understand that. I
10 will certainly take that into consideration.

11 MR. ROSENKRANZ: And comparing her with a
12 Goodwin or Kapraki, I think Mrs. Behar comes out much
13 better. I don't think we can compare them.

14 THE COURT: Both Goodwin and Kapraki were
15 sentenced. There were extenuating circumstances in
16 that they testified at great length and that all had
17 to be taken into consideration by me. That doesn't
18 exist here. Here we have Mrs. Behar. She did not
19 testify for anyone, not even for herself.

20 MR. ROSENKRANZ: I know.

21 THE COURT: And we have a jury verdict.

22 MR. ROSENKRANZ: I ask your Honor to be merci-
23 ful.

24 THE COURT: Is there any reason why judgment
25 should not now be pronounced?

1 THE DEFENDANT: No.

2 THE COURT: Do you have anything to say with
3 regard to sentence in addition to what Mr. Rosenkranz
4 has already said?

5 THE DEFENDANT: No.

6 THE COURT: Mr. Accetta, do you have anything
7 to say?

8 MR. ACCETTA: I have no comment about the
9 sentence. I do dispute some of Mr. Rosenkranz'
10 characterizations of the evidence. I will leave that
11 to your Honor.

12 THE COURT: Therefore, Mrs. Behar, on the basis
13 of the guilty verdict returned by the jury in this
14 case, and I again refer to the counts in the redacted
15 indictment and superseding indictment, and we will
16 take Count One first which is the same in both the
17 redacted indictments and the original superseding
18 indictment, on the finding of the jury of guilty on
19 Count One you are committed to the custody of the
20 Attorney General or his duly authorized representative
21 who shall designate the place of confinement for a
22 term of two years.

23 On Counts Two, Four, Five, Seven, Nine, Ten,
24 12, 14, 16, 17, 18, 20, 21, 23, 25, 27, 28, and 31,
25 which are the 1010 counts, a total of 18 counts, and

D 53

1 the corresponding count numbers in the original
2 superseding indictment 72 CR 587, 36, 28, 12, 40, 59,
3 10, 2, 4, 89, 55, 46, 6, 26, 18, 20, 14, 24, and 32,
4 on each of those 10 counts, the Court sentences you
5 to a term of two years which sentence on each of
6 those counts shall be concurrent with the sentence
7 imposed on Count One, and fines you on each of those
8 18 counts the sum of \$1,000 for a total of \$18,000
9 on those counts.

10 And on Count 31 -- I am sorry, Count 35, 37 and
11 38, which are what we call the 201 counts, the corres-
12 ponding original superseding indictment count numbers
13 60, 101 and 72, a total of three counts, on each of
14 those counts the Court imposes a prison sentence of
15 two years which shall be concurrent to the prison
16 sentence imposed on Count One, plus a fine of \$1,000
17 on each of those which makes a total in fines of
18 \$21,000 plus two years in prison.

19 Now, Mrs. Behar, it is my duty to inform you
20 that you have a right to appeal and as a person who
21 is unable to pay the cost of the appeal the Court
22 would entertain an application for leave to appeal
23 in forma pauperis and assigns Mr. Rosenkranz who has
24 already appeared for you in this case. I shall
25 continue his appearance as counsel and permit him to

1 make whatever application he wishes to make if he
2 thinks he ought to be relieved on appeal in the
3 Court of Appeals. In the interim you are appointed
4 to continue and you are ordered to file a notice of
5 appeal in this case in forma pauperis.

6 MR. ROSENKRANZ: Thank you, your Honor.

7 THE COURT: Stay?

8 MR. ROSENKRANZ: Yes, may we have --

9 THE COURT: Stay of execution of sentence until
10 appeal is determined and bail continued pending appeal.

11 * * *

Denial of Joint Petitions for Writs of
Mandamus dated April 27, 1973 (DKT. 73-1591)
73-1591

D 55

COURT DECISIONS AND ORDERS

F. # 731670 (5)

LX 1 127

SECOND CIRCUIT

-----X
Harry Bernstein, Rose Bernstein, Eastern
Service Corporation, Florence Behar and
Louis Bernstein,
Petitioners,

v.

Hon. Anthony J. Travia, United States
District Judge, Eastern District of New York,
Respondent.

Harry Bernstein, Rose Bernstein, Eastern
Service Corporation, Florence Behar, Patricia
Buckley, Emanuel Hirsch and Louis Bernstein,
Petitioners,

v.

Hon. Anthony J. Travia, United States
District Judge, Eastern District of New York,
Respondent.

-----X
Find

A petition, for a writ of mandamus having been filed,

Upon consideration thereof, it is

they are
Ordered that said petitions be and ~~XX~~ hereby ~~is~~ granted-
denied.

Ordered that an answer to said petition shall be filed
by the respondent on or before

Further ordered that the Clerk shall serve a copy of
this order on the Judge named respondent and on all other
parties to the action in the trial court.

Further ordered that argument of said petition be and
it hereby is set for

[Signature]
JEAN S. BREITENSTEIN

[Signature]
IRVING R. KAUFMAN

WALTER R. MANSFIELD Circuit Judges

April 27, 1973

Denial of Petition for Rehearing en Banc
dated June 28, 1973 (DKT 73-1591)

D 56

*Court Reconsideration
Orders
Item 6*

UNITED STATES COURT OF APPEALS
SECOND CIRCUIT

*LKS
F. # 73-1591*

At a Sated Term of the United States Court of Appeals, in
and for the Second Circuit, held at the United States Court House,
in the City of New York, on the twenty-eighth day of June, one
thousand nine hundred and seventy-three.

----- X
Harry Bernstein, Rose Bernstein, Eastern Service
Corporation, Florence Behar and Louis Bernstein,

Petitioners

-v-

Hon. Anthony J. Travia, United States District
Judge, Eastern District of New York,

Respondent

Harry Bernstein, Rose Bernstein, Eastern Service
Corporation, Florence Behar, Patricia Buckley,
Emanuel Hirsch and Louis Bernstein,

Petitioners

73-1591

-v-

Hon. Anthony J. Travia, United States District Judge,
Eastern District of New York,

Respondent

----- X
A petition for a rehearing in banc having been filed
herein by counsel for the petitioners,

Upon consideration thereof, it is

Ordered that said petition be and it hereby is denied.

A. DANIEL FUSARO,
Clerk

1 Wing-direct

18562

2 You may step down.

3 Thank you very much.

4 Leave that receipt here.

5 (Witness excused.)

6 THE COURT: Mr. Klein?

7 MR. KLEIN: Yes, your Honor.

8 THE COURT: Do you want to pick up that KG
9 in evidence?

10 MR. KLEIN: Yes, sir.

11 Your Honor, may I read the date to the jury?

12 THE COURT: Yes, surely.

13 MR. KLEIN: It is dated 10/19/68.

14 THE COURT: 10/19/--

15 MR. KLEIN: 1968, yes, sir. October 19, 1968.

16 I call to the stand Mrs. Cecilia Cardona.

17
18 C E C I L I A

C A R D O N A , called as a

19 witness, having been first duly sworn by the Deputy
20 Clerk of the Court, took the stand and testified
21 as follows:

22 THE COURT: Will you state and spell your
23 name for the Court Reporter?

24 THE WITNESS: C-e-c-i-l-i-a Cardona.

25 THE CLERK: And your address?

Cardona

18563

THE WITNESS: 1247 Thieriot Avenue. Bronx,
New York.

DIRECT EXAMINATION

BY MR. KLEIN:

Q Mrs. Cardona, will you please state your name
and address for the record?

A My name is Cecilia Cardona. I live at 1247
Thieriot Avenue, the Bronx.

Q I wonder if I could ask you to speak a little
more slowly and a little louder?

A Yes.

Q What is your relationship to the defendant
Melvin Cardona?

A I am his wife.

Q How long have you been married?

A 9 years.

Q Do you have any children?

A Yes, I have. One four year old daughter.

Q Do you know the company by the name of Mecco
Properties, Incorporated?

A Yes.

Q What is that company?

A It is a real estate company owned by my
husband .

Cardona-direct

18564

Q When, if ever, did you ever own shares of Mecco Properties?

A I owned shares on, I think, in May of 1968 to about March of 1973. I owned 49 shares.

Q Who did you transfer your shares to in March of 1973?

A I transferred it back to the corporation.

Q What were the circumstances of that transfer?

A Well, after my husband was indicted, he lost the company, the business, and that was the reason I transferred the shares back.

Q When, if ever, were you an officer of Mecco Properties, Incorporated?

A During all of the time that we ran the company.

Q What office did you hold?

A I was secretary and treasurer.

Q Where was the office of Mecco Properties located?

A In my house.

MR. KLEIN: May I have this marked for identification, please?

THE CLERK: One ledger book marked Melvin Cardona's exhibit KH for identification.

Cardona-direct

18565

MR. KLEIN: Thank you.

(Article referred to, being a ledger book, was received and marked Melvin Cardona's exhibit KH for identification.)

Q Now, Mrs. Cardona, without telling us specifically what KH for identification is, can you tell us what that book is?

A Yes, this is a ledger book of Mecco Properties.

Q Will you speak up, please?

A This is a ledger book of Mecco Properties.

Q Did you make any of the entries in that ledger book?

A Yes, I make some of them.

Q How did you learn how to keep that ledger book?

A In the beginning, I used to have a very small book where I put the entries, the best I could. And then later, when Mr. Jose Abad became the accountant for the corporation, he showed me how to do the filing and how to keep the records.

Q Were those records made in the regular course of business of Mecco Properties?

A Yes.

Q And was it the regular course of business of Mecco Properties to make and maintain such records?

Cardona-direct

18566

A Yes.

Q And specifically, as to the entries made in that ledger, were they made -- maintained in the regular course of business of Mecco Properties?

A Yes.

MR. KLEIN: I will offer the ledger book KH into evidence, your Honor, after first showing it to counsel for the Government.

THE COURT: Yes.

MR. KLEIN: Thank you.

(Ledger book handed to Government counsel.)

(A conference thereupon ensued between Mr. DePetrus and Mr. Klein.)

(Government counsel examined ledger book.)

MR. DE PETRIS: Your Honor, I have no objection as to the foundation in the regular course of business.

However, I do not see the relevancy. Perhaps we should have an offer of proof at the side bar as to the relevancy.

THE COURT: Okay.

(The following discussion took place at the side bar between the Court and counsel:)

MR. KLEIN: If your Honor will recall, when Mr. Abad was cross examined by my father at that time,

1
2 there seemed to be some discussion concerning whether
3 or not he was, in fact, the accountant for Mecco
4 Properties.

5 If you will recall, he had first claimed --
6 if you give me a moment, I can find the page number --
7 that he was always paid in cash by Mr. Cardona. Certain
8 checks were offered into evidence which I have, of
9 course, in the courtroom.

10 Now, at that point he modified his statement
11 and said that he reviewed the books on one occasion,
12 for Mr. Cardona.

13 When shown additional checks, he said maybe
14 he was there more than once.

15 He was asked if he ^{audited} ordered the books and he
16 said no, he ^{audited} did not order the books.

17 It is our contention that in fact, he was the
18 accountant of Mecco Properties, and we will have
19 additional testimony to that effect.

20 And that the books are relevant to show the
21 credibility of the witness Mr. Abad.

22 MR. DE PETRIS: Your Honor, Mr. Abad doesn't
23 deny that he reviewed the books of Mr. Cardona. I
24 do not see the issue.

25 I do not see how it is relevant.

1
2 THE COURT: Well, Mr. Abad is available.

3 MR. KLEIN: I expect to --

4 THE COURT: If I recall correctly, I signed
5 a subpoena for you to bring him in.

6 MR. KLEIN: That is correct, your Honor.

7 MR. DE PETRIS: At this point in time I just
8 do not see the relevancy.

9 So far, there doesn't appear to be any
10 disagreement. And there is a lot of information in
11 here about Mecco Properties. It is hard to see what
12 relationship Mecco Properties has to this case.

13 THE COURT: It is difficult to see the relevancy.
14 What do you say would create the relevancy in this
15 book (indicating)?

16 MR. KLEIN: In other words, Mr. Abad, the
17 witness, will testify --

18 THE COURT: Well, bring him in and show him
19 the book.

20 MR. KLEIN: Mr. Abad is a hostile witness,
21 your Honor.

22 THE COURT: He can't deny his signature.

23 MR. KLEIN: He can't?

24 THE COURT: If he is a hostile witness, I
25 will declare him to be a hostile witness.

Cardona-direct

18569

MR. KLEIN: I expect to ask your Honor to do
so.

MR. ACCETTA: I do not see any inconsistency --

MR. KLEIN: Mr. DePetris is arguing this.

MR. ACCETTA: I can handle the case too,
Mr. Klein.

Mr. Abad testified at pages 7693 and 7695 as
to setting up the books and going over them. I do
not see why it is offered.

MR. DE PETRIS: If there comes a time when
Mr. Abad denies these were his initials, then you can
bring the witness back. I do not think there is any
real dispute here.

MR. KLEIN: For the purposes of the record,
this witness will go on to testify that she, in fact,
saw Mr. Abad review the books --

THE COURT: Mr. Abad has never denied it.

MR. KLEIN: As a matter of fact, his handwriting
appears in the books.

THE COURT: I do not see a discrepancy.

MR. KLEIN: Your Honor, then my offer of proof --

THE COURT: If that is the reason, I would
hold they are not relevant to the issue that you
raised.

Cardona-direct

18570

1
2 MR. KLEIN: I will except to the Court's
3 ruling.

4 THE COURT: They can remain available in case
5 Mr. Abad comes. And if it becomes necessary, then
6 we will again reconsider.

7 MR. KLEIN: Very well, your Honor.

8 THE COURT: But as of now, I see no inconsistency
9 between Mr. Abad's testimony and anything that you have
10 raised by this.

11 MR. DE PETRIS: Do you want to make an offer
12 of proof as to Mr. Abad now?

13 MR. KLEIN: No.

14 THE COURT: If anything, it would encumber the
15 record to a great extent, because it involves
16 properties not at issue in this case at all and is
17 his own private real estate business.

18 MR. KLEIN: Except as to the credibility as
19 to the witness Mr. Abad. That is my offer of proof.

20 MR. DE PETRIS: Before Mr. Abad takes the
21 stand, and I have spoken to Mr. Klein about asking for
22 a side bar. And it was also his intention to have a
23 side bar before Mr. Abad takes the stand. I do not
24 know when Mr. Klein wants to have the side bar; now
25 or later.

Cardona-direct

18571

THE COURT: Is he available now?

MR. KLEIN: I don't know if he is here. I do not have any reason to call him now.

THE COURT: All right, let it wait. I will sustain the objection at this time.

(The following occurred in open court:)

BY MR. KLEIN:

Q Mrs. Cardona, who was the accountant of Mecco Properties?

A Mr. Jose Abad.

Q When did Mr. Abad become the accountant of Mecco Properties?

A The first week of January of 1969 he started.
(continued on the next page.)

1
2 Q What were his duties, commencing at that time
3 -- starting at that time?

4 A To prepare the books and to make the taxes
5 for the 1968 corporation.

6 Q Have you ever met Mrs. Ortrud Kapraki?

7 A Yes, I met her.

8 Q When, if ever, did you meet her?

9 A It was about March 1969 I met her, first in her
10 office, one time when we went there for some money she owed
11 my husband.

12 After that I saw her in my house about 5 times.

13 Q You invited her to your home, is that correct?

14 ← A Yes.

15 Q You also visited her office?

16 A Yes, once.

17 Q What was the purpose of that visit?

18 A In the office?

19 Q Yes.

20 A We went for some money that she owed my
21 husband.

22 Q Do you know where you were on Saturday,
23 October 19, 1968?

24 A Yes.

25 Q Where were you and who were you with?

C. Cardona-direct

18572

1
2 A I were with my husband all day long because my
3 husband wanted to buy a special camera.

4 And we left the house about 11, after 11 in the
5 morning, and we drove up to Yonkers.

6 And the first stop we made was in Gimbel's in
7 Yonkers. And we shopped there for a while, maybe a half
8 hour, one hour. And my husband couldn't find the camera
9 there.

10 So then we kept going up to Yonkers, to the
11 shopping center that is also in Yonkers, and we shopped there
12 for a while.

13 My husband went to look for his camera and
14 I do some shopping of groceries.

15 And then we kept going to Korvettes' Department
16 Store in Scarsdale. We stopped there. My husband, so we
17 went in the store for the camera that he was looking for and
18 they said they didn't have it. So we kept going to the
19 Lafayette Radio Shop, also in Scarsdale, and was about 3:30
20 to 4.

21 When we got there my husband couldn't find
22 the camera there either.

23 So then we decided to come downtown to 32nd
24 Street to Willoughby Camera Shop.

25 MR. DE PETRIS: May I ask the witness to

1 speak a little slower? I am missing some of it.

2 THE COURT: Will you try to speak a little
3 slower?
4

5 A (continuing) Then after we left Lafayette
6 in Scarsdale we drove downtown to Willoughby Camera Shop on
7 32nd Street across the street from Gimbels. And we get there
8 about 4:30, 5. And we park the car and we went into the
9 store.

10 We shopped there for about one hour until my
11 husband find the camera there.

12 Q Did he buy a camera at that time?

13 A Yes.

14 Q Did you see your husband pay for the camera?

15 A Yes.

16 Q How did he make payment?

17 A By check.

18 THE CLERK: One check number 131 dated 10/19/68
19 marked defendant Cardona exhibit KI for identification.

20 (Document referred to, being a check numbered
21 131 dated 10/19/68 was received and marked defendant
22 Cardona's exhibit KI for identification.)

23 Q Is that the check, Mrs. Cardona?

24 A Yes.

25 Q Was that check cashed, without telling us

1
2 anything concerning it?

3 A Yes.

4 Q When, if ever, did you see it again after --
5 MR. KLEIN: Withdrawn.

6 Q Did you see your husband give that check to
7 anyone?

8 A Excuse me?

9 Q Did you see your husband give that check to
10 anyone?

11 A Yes. He gave it to the gentleman in the store.

12 Q When, if ever, did you see it again after he
13 gave it to the man in the store?

14 A When it came back in the bank statement.

15 Q Have you held it in your records since that
16 time?

17 A Yes.

18 Q And you testified that you went to a number
19 of stores in Yonkers and in Scarsdale?

20 A Yes.

21 Q Will you tell us how you reconstruct that day?
22 How you determine where you were?

23 A Excuse me? I don't hear you.

24 Q You told us that you were in certain stores
25 in Yonkers and Scardale.

C. Cardona-direct

18575

A Yes.

Q Will you tell us how you remember what you did that day?

A Yes.

Q What did you do in order to determine your whereabouts on that day? Did you check in the records?

A I checked -- well, I have been looking all the receipts we have from 1968. That is how I found the check and the receipt.

MR. KLEIN: I will offer the check into evidence, your Honor.

THE COURT: Show it to Mr. DePetrus.

(Document handed to Mr. DePetrus and was examined by Government counsel.)

MR. DE PETRIS: No objection, your Honor.

THE COURT: No objection.

THE CLERK: Defendant Cardona's KI previously marked for identification received in evidence.

(Document referred to, having been previously marked defendant Cardona's exhibit KI for identification, was now received and marked defendant Cardona's exhibit KI in evidence.)

MR. KLEIN: Can I read it, your Honor?

THE COURT: Yes.

C. Cardona-direct

18576

MR. KLEIN; Check drawn on the account of
Melvin Cardona and Cecilia Cardona, check number 131
dated 10/19/1968, paid to the order of Willoughby's.
Amount \$119.70, written again, 119,70. Signed
Melvin E. Cardona.

BY MR. KLEIN:

Q Mrs. Cardona, what time of day did you arrive
at Willoughby's?

A What time we arrived?

Q What time did you arrive?

A It was about 4:30 to 5.

Q How long a time did you spend in the store?

A About one hour.

Q Mrs. Cardona, to your knowledge, where was
your husband during the week of October 21 through 30, 1968?

A He was in jury duty in the Bronx.

MR. KLEIN: I offer this for identification.

THE CLERK: Three page document marked
defendant Cardona exhibit KJ for identification.

(Document referred to consisting of three
pages, was received and marked defendant Cardona's
exhibit KJ for identification.)

MR. KLEIN: Your Honor, I will offer this
self-authenticating document into evidence after

C. Cardona-direct

18577

first showing it to counsel for possible objection.

(Document handed to Government counsel and examined by them.)

(Thereupon ensued a conference between Mr. Klein and Mr. DePetrus.)

MR. DE PETRIS: No objection, your Honor.

THE COURT: No objection. Received.

THE CLERK: Defendant Cardona's exhibit KJ previously marked for identification, received in evidence.

(Document referred to having previously been marked Defendant Cardona's exhibit KJ for identification was now received and marked defendant Cardona's exhibit KJ in evidence.)

MR. KLEIN: May I pass this to the jury, your Honor?

THE COURT: What is that?

MR. KLEIN: May I pass it among the jury?

THE COURT: Yes.

(Document handed to the jury.)

(continued on the next page.)

1
2 MR. KLEIN: Your Honor, the Government and I
3 have reached a stipulation with reference to this
4 document.

5 The document does not show the number of hours
6 served on a particular day, it only shows service.

7 It is also stipulated that the maximum number
8 of hours served a day would be from 9 to 5.

9 There is nothing on the document to indicate
10 whether on a particular day the jurors were released
11 early, and there was no sequestration of the jury.

12 THE COURT: Is there any reason, then, to pass
13 the document to the jury?

14 MR. KLEIN: Whatever the Court prefers.

15 THE COURT: No, sir, whatever you prefer.

16 MR. KLEIN: I prefer the jury see it, your
17 Honor.

18 THE COURT: Okay.

19 Mr. Klein, we will take our mid-morning
20 break, now that the jury has completed examining that
21 exhibit, that is before you ask the next question,
22 we will take our mid-morning break.

23 Ladies and gentlemen of the jury:

24 Remember the admonition. I will call you
25 back shortly.

C. Cardona-direct

18579

Mrs. Cardona, you can step down and we will
call you back in a few minutes, okay?

THE WITNESS: Yes.

(The jury then left the courtroom.)

(The witness was excused.)

(The trial resumed at 11 55 o'clock A.M.)

MR. KLEIN: May I proceed, Judge?

THE COURT: Yes, you may.

DIRECT EXAMINATION

BY MR. KLEIN : (continued)

Q Mrs. Cardona, prior to recess, we were talking
about the week of October 21st through the 30th, 1968. That
was the week that you testified your husband was on jury duty;
is that right?

A Yes.

Q To your knowledge, did your husband work for
Eastern Service Corporation during the preceding week of
October 14th through 18th, 1968?

A No, he didn't work that week .

Q I'm sorry, I didn't hear you.

A He didn't work, he took that week off as a
vacation because of the following week on the jury duty he
was not going to be able to serve the brokers the right
way.

C. Cardona-direct

18580

Q Do you know who serviced your husband's accounts during the week of October 14th through October 30th, for that two week period?

A Excuse me, I didn't follow.

Q Do you know who serviced your husband's accounts during the week of October 14th through October 30th, that two week period?

A There was another gentleman by the name of Leon Gagliari who was taking his place.

Q Now --

MR. DE PETRIS: I'm sorry, what was that name?

MR. KLEIN: Leo Gagliari.

Q Where was your husband during the week of October 14th through 18th, 1968?

A He was -- He was with me all the time, we went shopping. Monday, the 14th, we went to Tremont and Fordham Road to buy an enlargement for another camera and we spent there all the afternoon because we had to certify one check that we paid in the store, and then a couple of days he took me to my mother's house, and he also took me to the dentist on the 15th and 18th of October, and --

Q You went to the dentist twice that week?

A To the dentist twice.

C. Cardona-direct

12581

1
2 Q What was the purpose of that visit to the
3 dentist?

4 A I was making some repairs to my teeth.

5 Q Do you drive an automobile?

6 A No.

7 Q Do you have a driver's license?

8 A Yes.

9 Q When is the last time you drove an automobile?

10 A Well, it was about 1961 or '62.

11 Q Why is it that you no longer drive a car even
12 though you have a license?

13 A I have seen so many accidents I am so scared
14 with the wheel.

15 Q When you went to the dentist and to your
16 mother's, did you go by automobile?

17 A Yes, my husband took me there.

18 Q And who drove the automobile at that time?

19 A My husband.

20 Q To your knowledge, when, if ever, did Jose
21 Abad make up an income tax statement for the Mecco Properties?

22 A He finished them on or about the beginning of
23 May, but he closed the books on March 31st of 1969.

24 Q How do you know this?

25 A Because he showed me how to do the filing,

C. Cardona-direct

18582

in the beginning I used to make the filing according to the regular taxes, from January to December, but when he became the accountant, he asked me that in order for him to make the income taxes for the corporation, I had to change the filing system from April 1st of 1968 to March 31st of 1969.

Q And you did that; is that correct?

A Yes.

Q Do you know a man named Mr. Plotkin?

A Yes.

Q Who is Mr. Plotkin?

A He is a Department of State investigator.

Q How did you first meet him?

A He went to my house to check the records of Mecco Properties.

Q Did he find anything wrong at that time with the books of Mecco Properties?

A No.

Q Do you know a man named Sniegocki?

A Yes.

Q Who is Mr. Sniegocki?

A He is an FBI agent.

Q Where did you meet Agent Sniegocki?

A In my house.

Q When was that; do you know?

1 C. Cardona-direct

2 A In October of -- about August of 1971.

3 Q What, if anything, occurred at that time in
4 August of 1971?

5 A He went to my -- my house --

6 Q Yes --

7 MR. DE PETRIS: Your Honor, what is the
8 relevancy, I have to object.

9 THE COURT: You have mentioned his name several
10 times. I want to know, and I don't know, what the
11 relevancy is.

12 MR. DE PETRIS: And the competency of it.

13 THE COURT: What?

14 MR. DE PETRIS: Also, the competency.

15 THE COURT: He talked to her --

16 Did I gather that Mr. Sniegocki spoke to
17 you, did he talk to you?

18 THE WITNESS: He was introduced to me by my
19 husband.

20 THE COURT: Then after that, you had nothing
21 else to do with him, you did not talk to him?

22 THE WITNESS: I didn't talk to him.

23 THE COURT: Okay.

24 He was introduced by her husband.

25 MR. KLEIN: That is correct, your Honor.

1 C. Cardona-direct

18504

2 THE COURT: Okay, that is it.

3 BY MR. KLEIN:

4 Q Did you see --

5 MR. KLEIN: May I continue or just--

6 THE COURT: That is the end of that, unless you
7 are going into something else.

8 MR. KLEIN: I mean, if I may, perhaps have a
9 side bar, your Honor, I don't know, I don't want to
10 make a statement in front of the jury.

11 THE COURT: You had better not.

12 (The following occurred at side bar without
13 the hearing of the jury:)

14 MR. KLEIN: Your Honor, the witness was
15 present at the conversation between Agent Sniegocki and
16 her husband. Now I have no intention to ask her the
17 conversation, only what she saw while the
18 conversation took place between her husband and
19 Agent Sniegocki and the gestures that she saw.

20 MR. DE PETRIS: I think you had better have
21 an offer of proof.

22 MR. KLEIN: Yes, all right.

23 I made the following offer of proof, the
24 offer of proof is that Agent Sniegocki came to --

25 THE COURT: There is no question that she

C. Cardona-direct

18585

1
2 would testify that she was introduced to him by her
3 husband --

4 MR. KLEIN: Yes, yes.

5 THE COURT: That is obvious, her husband talked
6 to him, but beyond that, she can't testify to any
7 conversation.

8 MR. KLEIN: I don't intend to have her testify
9 as to any conversation, I intend to have her
10 testify that she, and she will testify if she is
11 allowed to do so, that she saw Agent Sniegocki stand
12 up with Mr. Cardona, swear him in to tell the truth,
13 and she was doing housework at the time, she did
14 not hear the conversation that was going on.

15 THE COURT: And then what happened?

16 MR. KLEIN: That she had a conversation with
17 her husband as to his intentions.

18 THE COURT: Oh, no.

19 MR. DE PETRIS: Why don't you put him on the
20 stand, if you put him on the stand--

21 THE COURT: I will sustain the objection as to
22 that.

23 MR. KLEIN: Well, can she testify what she
24 saw her husband do following the conversation?

25 THE COURT: What is she going to testify to,

C. Cardona-direct

18586

gestures?

MR. KLEIN: What she saw him do.

THE COURT: Tell me what she is going to say.

MR. KLEIN: That she saw him make a telephone call following that.

THE COURT: Who?

MR. KLEIN: Her husband.

THE COURT: So what?

She is going to testify to things which only he can testify to.

MR. KLEIN: She can testify that she saw her husband make a telephone call and she heard that conversation, of course, it was the one side of that conversation.

It is not an essential point, but I believe it is admissible, that is why I am making the offer of proof.

MR. DE PETRIS: Your Honor, it is self-serving hearsay.

If Mr. Cardona wants to take the stand, fine.

THE COURT: You say it is not an essential matter?

I don't think we ought to indulge in this kind of stuff if it is going to create a lot of objections.

1 C. Cardona-direct

18587

2 The objection is sustained.

3 MR. KLEIN: Very well, I will approach it in
4 a different way.

5 THE COURT: You are going to approach it in a
6 different way, you are going to approach it in a
7 different way? You tell me how. I just got through
8 sustaining the objection.

9 I'm not going to let you do indirectly what
10 I'm telling you cannot be done.

11 MR. KLEIN: Forget about the conversation.

12 THE COURT: You are going to a different matter?

13 MR. KLEIN: Subsequent to that conversation.

14 MR. DE PETRIS: Before he proceeds, may we
15 have an offer of proof in case there are other matters
16 that are questionable as to being admissible?

17 THE COURT: I have sustained the objection to
18 that.

19 MR. KLEIN: I won't go any further into it,
20 you have sustained the objection, that is the end of
21 it.

22 THE COURT: What else are we going into?

23 MR. KLEIN: The conversation to which she was
24 a party.

25 THE COURT: With whom?

C. Cardona-direct

18588

MR. KLEIN: Her husband and Ortrud Kapraki.

MR. DE PETRIS: I think we should have an offer of proof about that.

THE COURT: That might be more relevant.

MR. DE PETRIS: May I say --

THE COURT: What is she going to say when she goes into that?

MR. KLEIN: That will be based upon what the Court's ruling is.

THE COURT: Let us hear it.

MR. DE PETRIS: I request an offer of proof.

MR. KLEIN: If allowed to testify concerning the conversation at which she was present between her husband and Ortrud Kapraki, in which she heard her husband say to Ortrud Kapraki that if she had done anything wrong, she should contact Agent Sniegocki, and tell him that she would cooperate with the FBI, that it would be better for her to do so.

She can testify as to what Mrs. Kapraki did and said in her presence, and then what followed that conversation.

THE COURT: That was the conversation?

MR. KLEIN: Yes.

C. Cardona-direct

18589

THE COURT: Then what followed that conversation?

MR. KLEIN: Following that conversation, her husband --

THE COURT: What was the conversation?

MR. KLEIN: Mrs. Kapraki, after she looked around at Mr. Cardona, she then looked at Mrs. Cardona, they have a swivel chair, she swiveled in the chair, she smiled at him --

THE COURT: Who smiled?

MR. KLEIN: Mrs. Kapraki, she said she would think about contacting the FBI.

Then Mr. Cardona got aggravated and called her some names, I don't recall exactly what it was, and Mrs. Kapraki got angry --

THE COURT: His suggestion was, the suggestion that he made to Mrs. Kapraki was to go to the FBI? This was by Mr. Cardona?

MR. KLEIN: Yes, by Mr. Cardona, he made that suggestion, yes, sir.

MR. DE PETRIS: Then what happened?

MR. KLEIN: She stormed out of the house, Mrs. Kapraki left the house.

THE COURT: I think she is permitted to testify to that.

C. Cardona-direct

18590

MR. KLEIN: Sure.

THE COURT: That is something that Mrs. Kapraki testified to, that she went to the house and had a conversation with him and they discussed the possibility, so I will let that part in.

MR. KLEIN: All right, thank you.

THE COURT: Unless you have some objection.

MR. DE PETRIS: May I just have a minute, your Honor?

THE COURT: Sure.

MR. DE PETRIS: Your Honor --

THE COURT: All right.

(continued on the next page.)

C. Cardona -direct

18591

3/2

MR. DE PETRIS: Is the last offer of proof as to a conversation between Cardona and Kapraki to be put in to this jury through this witness? If so, it is hearsay, it is self-serving --

THE COURT: She was present.

MR. KLEIN: She was present.

THE COURT: She is not talking about what was told to her.

MR. DE PETRIS: It is still hearsay, hearsay is any statement made out of court except --

THE COURT: How many times did Mrs. Kapraki testify about two such things?

MR. DE PETRIS: That is an exception, your Honor --

THE COURT: How many statements did Mrs. Kapraki make?

MR. DE PETRIS: Every one of them, your Honor, was an exception to the hearsay rule.

I am waiting for the exception to the hearsay rule, and if your Honor recalls, you kept out certain evidence that we tried to put in and which the defendants objected to as self-serving.

MR. BRODSKY: Why is it self-serving, why is it hearsay?

C. Cardona-direct

18592

MR. DE PETRIS: Any conversation out of court and offered in court is hearsay.

MR. KLEIN: Made by a defendant?

THE COURT: Then all of this testimony in this case would be thrown out of the window, everything from the very beginning to the end.

MR. DE PETRIS: No, no, there are exceptions to the hearsay rule.

THE COURT: Tell me what the exceptions are?

MR. DE PETRIS: There are various exceptions to the hearsay rule.

The main exception --

MR. KLEIN: I can't believe what I am hearing.

MR. DE PETRIS: Well, any admission by a defendant, that is an exception to the hearsay rule.

The main hearsay here is offering self-serving declarations, that is hearsay, and that is no exception to the hearsay rule.

Your Honor, we cannot cross examine Mrs. Cardona on a statement given in that manner, when Mr. Klein questioned Mrs. Kapraki --

MR. KLEIN: If you are referring to me, I never had a conversation.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C. Cardona-direct

18593

MR. DE PETRIS: Did you cross examine Mrs. Kapraki about this conversation?

MR. KLEIN: I don't recall.

MR. DE PETRIS: Then there is no foundation.

THE COURT: She is going to testify, from what he tells me, as to a conversation that occurred between the defendant and another party.

MR. KLEIN: Another defendant.

THE COURT: Another defendant?

MR. DE PETRIS: Kapraki isn't a defendant.

THE COURT : Kapraki is not a defendant.

MR. KLEIN: Kapraki is not a defendant?

THE COURT: No, she was.

MR. BRODSKY: She was a co-conspirator at that time.

THE COURT: She is, she still hasn't been sentenced, so she is a defendant.

MR. DE PETRIS: No, not in this case, she is not a defendant on this case.

THE COURT: You mean on the redacted indictment?

MR. DE PETRIS: That is correct.

THE COURT: Well, I am going to allow this, I am going to allow it.

C. Cardona-direct

18594

(The trial then proceeded within the hearing
of the jury:)

DIRECT EXAMINATION

BY MR. KLEIN: (continued)

Q Did there come a time, Mrs. Cardona, when
Ortrud Kapraki came to your home?

A Yes.

Q Following this episode that we have been talking
about?

A Yes, the same day that Agent Sniegocki went
to my house, my husband called her.

THE COURT: Who called her?

THE WITNESS: My husband.

THE COURT: Your husband called her?

THE WITNESS: Yes, your Honor.

THE COURT: That day she came to your house?

THE WITNESS: She came the same night.

THE COURT: What day was that?

THE WITNESS: That was also August of 1971.

THE COURT: August of 1971?

THE WITNESS: Yes.

THE COURT: You don't know the day?

THE WITNESS: She came -- she came three or four
times more --

C. Cardona-direct

18595

THE COURT: The first time?

THE WITNESS: The first time, the first time I met her was in her office, --

THE COURT: That is right, and we are talking now about the day that Mr. Sniegocki came to your house.

THE WITNESS: Yes, sir.

THE COURT: That day you say she came to your house, too, that night?

THE WITNESS: Yes, but she had been in my house before.

THE COURT: I didn't ask you that, I just asked that is the day that your husband called her?

THE WITNESS: Yes, your Honor.

THE COURT: Right.

THE WITNESS: Yes.

THE COURT: What day was that, what day was it that Mr. Sniegocki came?

THE WITNESS: He came in August of 1971.

THE COURT: You don't know the day?

THE WITNESS: I can't remember the exact date.

BY MR. KLEIN:

Q Now, in answering the Judge's questions, you say she came three or four times to your home, were those

C. Cardona-direct

18596

three or four times that she came to your home before this time?

A Let me think now.

It was, it was before, because at that time was the last time she came, I never saw her again.

Q Now, when she came to your home, who was present, who was there?

A It was my husband, Ortrud Kapraki herself, my daughter and myself.

Q Where did that conversation take place?

A In my house, in the parlor.

My daughter was sleeping on the sofa and I was on her side.

Q Did you hear that conversation?

A Yes.

Q Did you hear what your husband said to Ortrud Kapraki and what Ortrud Kapraki said to your husband?

A Yes, my husband asked her, Ortrud Kapraki, Ortrud Kapraki -- excuse me.

My husband told Ortrud Kapraki about the conversation he had sustained with Agent Sniegocki that same afternoon, and my husband asked her if she had done anything wrong to confess to the FBI, that it was better for her to do it by her own.

C. Cardona-direct

18597

Q What did Mrs. Kapraki say to your husband?

A In the beginning she didn't say anything, she just laughed and she swiveled on the chair and she looked to me and she looked to my husband. She didn't say anything in the beginning.

Q What happened next?

A Then she said that she was going to think it over.

Q What, if anything else happened during that conversation?

A My husband keep asking her to please to talk to the FBI and to do it without her lawyer and they kept --

THE COURT: To do it, what?

THE WITNESS: Without her lawyer.

THE COURT: Whose lawyer?

THE WITNESS: Kapraki's lawyer.

THE COURT: In other words, your husband was telling her what to do without his lawyer?

THE WITNESS: Without her lawyer.

THE COURT: Without her lawyer?

THE WITNESS: According to the conversation that my husband had with Agent Sniegocki.

THE COURT: He wanted Mrs. Kapraki to tell Agent Sniegocki what your husband told Sniegocki, is

C. Cardona-direct

18598

that what you mean?

THE WITNESS: Excuse me?

THE COURT: Did you say you heard your husband say something to Mrs. Kapraki --

THE WITNESS: Yes, your Honor.

THE COURT: You tell me again, in your own words, what exactly your husband said to Mrs. Kapraki. I want to hear it in your own words.

THE WITNESS: All right.

THE COURT: Exactly, and speak up loud because I want everybody to hear.

THE WITNESS: My husband asked Ortrud Kapraki, in his own words he said, "Please, Ortrud, if you have done something wrong, it's better that you talk to the FBI by yourself, because this way you will feel better."

THE COURT: What about the lawyer, when did that come in?

You said something about a lawyer.

THE WITNESS: Then my husband said to her, "And please do it without your lawyer."

THE COURT: Then you said something in accordance with --

THE WITNESS: Because --

THE COURT: Did you say that?

C. Cardona-direct

18599

THE WITNESS: Yes.

THE COURT: Your husband said, "In accordance with my conversation (sic)"

THE WITNESS: You want me to repeat it?

THE COURT: Yes.

THE WITNESS: Yes, you want me to repeat the conversation with my husband, with Sniegocki --

THE COURT: You are talking about the conversation, and I want to hear the whole conversation, not only parts of it.

(continued on the next page.)

EK:GA

T3R3 AM2

1 THE WITNESS: All right.

3 When Agent Sniegocki left that afternoon my
4 house --

5 THE COURT: I'm only interested right now in the
6 conversation between Mrs. Kapraki, your husband and you
7 in your livingroom or parlor, as you call it.

8 THE WITNESS: Yes.

9 THE COURT: That afternoon, Sniegocki wasn't there,
10 was he?

11 THE WITNESS: In the evening, no.

12 THE COURT: No? All right.

13 Now that is the conversation you are talking
14 about?

15 THE WITNESS: Yes, Your Honor.

16 THE COURT: All right.

17 Now tell us exactly what your husband said.

18 THE WITNESS: All right.

19 He -- He said to Ortrud Kapraki that it was better
20 for her -- It was -- It was better for her to confess to
21 the FBI without her lawyer.

22 THE COURT: Without her lawyer?

23 THE WITNESS: Yes.

24 THE COURT: What else?

25 THE WITNESS: And then she said that she had done

2

Mrs. Cardona - direct

18601

nothing wrong, she was laughing --

THE COURT: She said that?

THE WITNESS: She said --

THE COURT: She said she had done nothing wrong?

THE WITNESS: Nothing wrong.

Then my husband, he got -- She was laughing at
my husband, he got a little disappointed --

THE COURT: Your husband got a little disappointed?

THE WITNESS: Yes, he looked like kind of serious -

THE COURT: He looked kind of serious?

THE WITNESS: Yes.

THE COURT: Go ahead.

THE WITNESS: Then he said, "Ortrudy, you lost
your license, right?"

And then she said, "Yes, I lost my license, but
even when I lost it, neither the Government or the FBI,
they can do nothing, they can do nothing to me."

THE COURT: She said that?

THE WITNESS: Yes.

THE COURT: What did your husband say about --
to, to Mrs. Kapraki about --

THE WITNESS: My husband?

THE COURT: About his conversation.

THE WITNESS: Which conversation?

Mrs. Cardona - direct

18602

1
2 THE COURT: You said earlier something about, He
3 told her something about the FBI, something in accord-
4 ance with the way I talked to him, what did you mean by
5 that?

6 THE WITNESS: According to what the Agent Sneigocki
7 asked to my husband.

8 THE COURT: No, no.

9 MR. KLEIN: I submit, your Honor, that is an
10 answer.

11 THE WITNESS: Yes, your Honor.

12 THE COURT: Say that again.

13 THE WITNESS: According to what Agent Sneigocki
14 have asked from my husband.

15 THE COURT: That is what your husband told her?

16 THE WITNESS: Yes.

17 THE COURT: You may proceed, Mr. Klein.

18 MR. KLEIN: May I proceed?

19 THE COURT: Yes.

20 DIRECT EXAMINATION

21 BY MR. KLEIN: (continued)

22 Q You say your husband told Mrs. Kapraki to go to
23 the FBI without her attorney; is that right?

24 A Yes.

25 Q Do you know why your husband told her that?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. DE PETRIS: Objection.

THE COURT: Sustained.

BY MR. KLEIN:

Q What did Mrs. Kapraki say to your husband at that time?

THE COURT: Do you want her to repeat it?

MR. KLEIN: Yes, I feel that perhaps the testimony is muddled at the moment.

THE COURT: What?

MR. KLEIN: I feel that the testimony is muddled, and I would like her to clarify it.

THE COURT: Go ahead.

Q What did Mrs. Kapraki say to your husband after he told her that?

THE COURT: After he told her what?

Q After he told her that she should to to speak to the FBI, and tell them if she had done anything wrong, and that she would feel better if she went on her own, and that she would go without an attorney, I believe that is the testimony.

THE COURT: The jury will remember what she said.

MR. KLEIN: Yes.

Q What did Mrs. Kapraki do or say?

A She keeps saying she had done nothing wrong, that

Mrs. Cardona - direct

18604

she had nothing to say, but anyway, she was going to think it over.

Q And did there come a time when your husband said something further to Mrs. Kapraki.

A Yes, my husband, my husband told her not to be so proud and so vain, that --

Q Well -- I am sorry, go ahead.

A That if she had done nothing wrong, she had nothing to worry about.

Q And what occurred after that?

A After that, she got off the chair, and she banged on the table, she put her lips very tight, and she left, she -- she slammed the door behind her.

That was the last time I saw her.

Q Was that the last time she was ever at your home?

A Yes, the last time.

Q What, if anything, happened next?

THE COURT: When?

Q Following that time.

THE COURT: What is that?

Q Following that time, that conversation.

THE COURT: You mean, she slammed the door and left, period?

THE WITNESS: Yes, after.

Mrs. Cardona - direct

18605

Q And at the end of the conversation, what happened next?

MR. DE PETRIS: Objection, your Honor.

A After that, a couple of months --

MR. KLEIN: Please don't answer.

Your Honor, the conversation is completed, I am asking for narrative as to what happened next, your Honor.

THE COURT: A narrative as to what somebody else is talking about, or thinking about?

MR. KLEIN: No, no, no.

THE COURT: Ask a question.

MR. KLEIN: I will withdraw the question.

THE COURT: Please.

Q Did there come a time when your husband was arrested?

A Yes, on March 29, 1972, he was indicted, and after that, it has been a nightmare.

(continued on next page.)

C. Cardona-direct

Q Do you know whether, if ever, your husband stopped servicing Mrs. Kapraki's accounts?

A It was about March of -- or, or April of 19 -- 1968, after the case of the Fernandez Brothers.

Q What was the case concerning the Fernandez Brothers, if you know?

MR. DE PETRIS: Your Honor, I move to strike out that last answer.

THE COURT: When did she stop servicing -- just answer the questions, Mrs. Cardona.

Mr. Klein, I am allowing her to go way beyond the realm --

MR. KLEIN: I am just about complete.

THE COURT: I would suggest that you limit your questions to matters relevant to the situation here.

Now if you want a date as to when she stopped servicing, if you know, let her just give us the answer to that question alone, the date.

MR. DE PETRIS: I move to strike out the last question and answer which was clearly hearsay.

THE COURT: Granted.

The jury will disregard the question and the answer.

2

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C. Cardona-direct

If you want to ask the question again, you may.

Q Do you know when your husband -- withdrawn,
withdrawn.

Do you know the date when your husband stopped
servicing Mrs. Kapraki's accounts?

A It was about March or April, 1968.

Q Have you discussed your testimony with anyone
prior to testifying here today?

A Only with you, Mr. Klein, and my husband was
present.

THE COURT: Only what?

THE WITNESS: With Mr. Klein, my husband was
present.

THE COURT: I am sorry.

MR. KLEIN: I have no further questions,
your Honor.

You may inquire.

THE COURT: Okay, Mr. DePetrus.

MR. DE PETRIS : Yes, your Honor.

May I have a moment, your Honor? Mr. Klein
is getting some exhibits.

THE COURT: Yes, indeed.

CROSS EXAMINATION

BY MR. DE PETRIS:

1 C. Cardona-cross

2 Q Mrs. Cardona, do you recall that on direct
3 examination you testified that there came a time when Mr.
4 Abad was the accountant for Mecco Properties?

5 A Yes.

6 Q What do you mean by he was the accountant?

7 A He started, he started the first week of January,
8 '69, he made the income tax returns for the corporation of
9 1968.

10 Q Now, with respect to the books, he showed you
11 how to keep books?

12 A Yes, he showed me how to do some entries on
13 the books.

14 Q After that time, did you continue to make
15 entries in the books?

16 A Yes.

17 Q So you made entries in the books from the
18 time Mr. Abad reviewed them; is that correct?

19 A Yes.

20 Q You have testified something about Mr. Abad
21 closed some books on March 31, 1969.

22 A For the income tax returns of 1968 he closed
23 the books on March 31, 1969.

24 Q And after that time, did he continue to work
25 from time to time for your husband?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C. Cardona-cross

A For the corporation?

Q Yes.

A Yes, after that time.

Q He didn't finish dealing with your husband
on March 31, 1969; is that correct?

A Excuse me, I don't understand.

Q He didn't end, finish his dealings with your
husband on March 31, 1969; is that correct?

A He didn't finish what, sir?

Q Mr. Abad continued to work with your husband
after March 31, 1969?

A After he finished the income tax of 1968, yes.

THE COURT: That was in March of 1969?

THE WITNESS: Yes.

THE COURT: And after that he continued to do
work for your husband?

THE WITNESS: Yes, for several months.

THE COURT: Okay.

SHE said, "Yes, for several months."

MR. DE PETRIS: Yes, your Honor.

Q Now, you testified on direct, do you recall
on direct examination Mr. Klein asked you about October 19,
1968?

A Yes.

1 C. Cardona-cross

2 Q And you related various events that occurred
3 on that day; is that correct?

4 A Yes.

5 Q Do you recall where you were and what you did
6 on Saturday, October 12th, 1968?

7 A October --

8 Q Do you recall where you were and what you did
9 on Saturday, October 12, 1968?

10 A No, I don't remember now.

11 Q Do you recall where you were or what you did
12 on Saturday, October 26th, 1968?

13 A Saturday?

14 Q Saturday, October 26, 1968.

15 A We went shopping in the morning for our
16 groceries, a few things for the house, and we came home about
17 one o'clock.

18 That is Saturday, the 26th, you are asking
19 for, sir?

20 Q Yes, that is correct.

21 And then what did you do?

22 A Then we stayed home the whole afternoon.

23 Q Was your husband with you that whole day?

24 A Yes, sir.

25 Q That is Saturday, October 26, 1968?

1 C. Cardona-cross

2 A Yes, sir.

3 Q You are sure about that?

4 A Yes.

5 Q And I believe you said that for that two
6 week period, October 14th and the week of October 21st
7 through October 30th, that your husband did not service
8 Mrs. Kapraki's accounts during that period of time?

9 A No, sir.

10 Q And you mentioned another person who did.

11 A I don't know if they put another person, but not
12 my husband, because he was on jury duty that week.

13 Q You mentioned Leo Gagliari.

14 A To cover for my husband in the Bronx, I don't
15 know anything about Ortrud Kapraki --

16 THE COURT: Did he take over for your husband?

17 THE WITNESS: Excuse me, your Honor?

18 THE COURT: What did Mr. Gagliari do, did he
19 take over for your husband?

20 THE WITNESS: He kept servicing the brokers
21 that week.

22 Q Who put him there, your husband?

23 THE WITNESS: Eastern Service Corporation.

24 BY MR. DEPETRIS:

25 Q Are you sure that your husband did not see

1 C. Cardona-cross

2 Mrs. Kapraki during that two week period?

3 A Yes.

4 Q Are you sure of that, are you sure of your
5 testimony about what you did on October 19, 1968?

6 A Yes.

7 MR. BRODSKY: Oh, that is objectionable.

8 THE COURT: I will allow it.

9 (continued on the next page.)
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

DS:GA 1
T4R1 AM

Cardona - cross/DePetrus

18613

2 Q I show you Government's Exhibit 161-B an evidence.
3 Is that the check made out to your husband, Mel
4 Cardona?

5 A Yes.

6 Q Is it endorsed by your husband on the back?

7 A Yes. It is my husband's signature.

8 MR. DE PETRIS: I will request permission, your
9 Honor, to read the date of the check, and the date on
10 the back when it was cashed. It is a check dated
11 October 26, 1968, paid to the order of Mel Cardona,
12 \$425, and signed Ortrud Kapraki, with the word "Bonus"
13 written on the front of the check. And on the back of
14 the check, the signature which Mrs. Cardona has identi-
15 fied as the signature of Mel Cardona.

16 MR. KLEIN: May I have the number of that?

17 THE COURT: 161-B in evidence.

18 MR. DE PETRIS: And the bank stamp on the bank,
19 October 28, 1968.

20 MR. SOVIERO: Now, if your Honor please --

21 THE COURT: It is in evidence. He can read any
22 part of it.

23 MR. SOVIERO: Well, I realize, if your Honor
24 pleases, that I am not involved. I am sorry.

25 MR. DE PETRIS: May I have a moment, your Honor?

Cardona - cross/DePetris

18614

THE COURT: Yes.

(Mr. DePetris thereupon conferred with Mr. Accetta and Mr. Bashian.)

MR. DE PETRIS: I have no further questions, your Honor.

THE COURT: Does anybody here wish to cross-examine?

Wait a minute, Mr. Klein. Does anybody wish to cross-examine?

MR. SOVIERO: No, your Honor.

MR. WALL: No, your Honor.

THE COURT: All right, redirect by Mr. Klein.

REDIRECT EXAMINATION

BY MR. KLEIN:

Q Mrs. Cardona, Mr. DePetris asked you whether or not you could account for your whereabouts, and your husband's whereabouts, on October 12, 1968, and October 26, 1968? Is that correct?

A Yes.

Q When, if ever, did you try to find out where your husband was on either of those dates? Do you understand the question?

A No, I don't quite understand.

Q Did you try to find out where your husband was on

2 October 12th?

3 A No, I didn't.

4 Q Did you try to find out where your husband was
5 on October 26th, 1968?

6 A Yes.

7 Q You knew where he was?

8 A He was with me, buying, shopping.

9 Q You testified that you knew where your husband
10 was on October 19, 1968?

11 A Yes.

12 Q Will you tell us again how you know where he was
13 on October 19th?

14 A Well, how do I know?

15 Q How did you find out where he was?

16 A Well, we always used to do our shopping on Satur-
17 days. We used to go to Yonkers. Most of the time we spent a
18 half a day, and sometimes whole days, Saturday, up in Yonkers.
19 Now we don't go any place.

20 MR. KLEIN: I am showing the witness Defendant
21 Cardona's KI in evidence.

22 BY MR. KLEIN:

23 Q How did you find that check?

24 A How did I find the check?

25 Q Right. What did you do to find the check?

1 4
2 A Well, after my husband has been here for eight
3 months, I started to look through all the receipts I could find
4 of October, 1968.

5 Q That is where you came across that check?

6 A Yes. I found the check. I also found the re-
7 ceipt.

8 MR. KLEIN: I am showing the witness Government's
9 Exhibit 161-B in evidence.

10 Q What date appears on that check?

11 A October 26, 1968.

12 Q Did you see Mrs. Kapraki write that date on that
13 check?

14 A No.

15 Q Do you know whether she post-dated that check?

16 THE COURT: Oh --

17 A I don't know.

18 Q Do you know how you received that check, or how
19 your husband received that check?

20 THE COURT: I missed the last question, Mr. Klein.

21 MR. KLEIN: Withdrawn.

22 Q Do you know how your husband received that check?

23 A Yes.

24 Q How did he receive that check?

25 A It was in the mail.

1 5

2 MR. KLEIN: May I have a moment, your Honor?

3 THE COURT: Yes.

4 Q Will you turn the check over?

5 A Over?

6 Q You testified that that was your husband's
7 endorsement. Is that correct?

8 THE COURT: His signature.

9 Q (continuing) His signature. Who deposited that
10 check in the bank?

11 A I deposited it.

12 Q You deposited it?

13 A Yes.

14 Q How do you know that?

15 A Because on Monday, the 28th, my husband was still
16 on jury duty, so I deposited the check myself.17 MR. KLEIN: I have no further questions, your
18 Honor.19 MR. DE PETRIS: I have one or two questions, your
20 Honor.

21 THE COURT: Surely.

22 (Thereupon ensued a conference between Mr. DePetrus
23 and Mr. Bashian.)

24 MR. KLEIN: Did I take the check back?

25 THE COURT: No, Mr. DePetrus has it.

MR. BRODSKY: Do you want this (indicating magnifying glass)?

RECROSS EXAMINATION

BY MR. DE PETRIS:

Q Mrs. Cardona, you say you recall now of this check being received in the mail?

MR. KLEIN: I object to the question "now."

THE COURT: No, today. Yes, she did testify today.

Q Mrs. Cardona, you say you now recall receiving this check in the mail, and depositing it in the bank?

A Yes.

Q What bank did you deposit it in?

A Chase Manhattan.

Q And where was that?

A It is Fordham Road, in the Bronx.

Q How is it that you recall depositing that check in the bank?

A Because my husband was on jury duty that Monday, so he couldn't take it to the bank.

Q I show you Government's Exhibit 161, 161-A, 161-C, 161-D, 161-E, 161-F and 161-G, and ask you to look at those checks.

Take your time, and look through them, and tell us

1 7

2 whether you remember anything about how your husband received
3 those checks.

4 MR. KLEIN: Are these checks all in evidence,
5 your Honor?

6 THE COURT: Yes.

7 (Witness examines documents.)

8 Q Do you recall anything at this time about any of
9 these checks?

10 A If I endorsed any one of this?

11 THE COURT: No.

12 Q No, do you recall at this time how your husband
13 received any of those checks?

14 A Well, this was some money that Ortrud Kapraki
15 owed my husband. And I don't know about this one, how he got
16 them. I can't remember about this.

17 Q You don't remember how you received any of the
18 Exhibits which I have just shown you?

19 A Yes.

20 Q But you have a specific recollection of this
21 check being received in the mail on October 26, 1968?

22 MR. SOVIERO: Objection.

23 THE COURT: Referring to 161-B in evidence.

24 MR. KLEIN: Objection, your Honor.

25 THE COURT: I overrule the objection.

8

MR. KLEIN: It was not received on October 26th.

There is no testimony tending to show it was received on October 26th.

A I received it on October 26th in the mail.

THE COURT: She says it was received on October 26th in the mail.

MR. KLEIN: Now there is testimony.

THE COURT: I heard her say earlier that she received it in the mail, and deposited it the following Monday.

MR. KLEIN: I apologize, sir.

THE COURT: Don't apologize to me.

Q Do you have a specific recollection of that at this time?

A I don't remember about this (indicating).

THE COURT: No, the other one.

MR. SOVIERO: Objection, as argumentative, if it please the Court.

THE COURT: I will allow it.

Q You have a specific recollection, Mrs. Cardona, of having received Government's Exhibit 161-B in evidence in the mail?

A Yes, I recollect it because we were shopping, and when we came back home, my husband just got it in the mail, and because the following Monday he was in jury duty, and he couldn't

1 9

2 deposit it, so I deposited it myself.

3 Q You received that when?

4 A October 26th.

5 Q What is the date of that check?

6 A October 26th.

7 Q In other words, it is your testimony that that
8 check was made out on October 26th, 1968, and mailed to you on
9 October 26th?

10 MR. BRODSKY: I object. That is not her testimony.

11 MR. WALL: I object.

12 MR. SOVIERO: I object.

13 THE COURT: The chorus is not necessary. Sus-
14 tained. Don't answer it.

15 MR. DE PETRIS: I have no further questions at
16 this time.

17 THE COURT: Okay. Anything else?

18 MR. KLEIN: No redirect.

19 THE COURT: Okay, Mrs. Cardona, thank you. You
20 are excused.

21 (Witness excused.)

22 THE COURT: Call your next witness, Mr. Klein.

23 MR. KLEIN: Well, may I have a side bar?

24 MR. SOVIERO: I join in the request.

R2 fls 25

(continued on next page.)

pc
4/2

1 C. Cardona-

2 (The following conference took place at the
3 bench between the Court and counsel.)

4 MR. KLEIN: Your Honor, I have my next witness
5 I'm going to call. I expect him here at 2 o'clock.
6 He may be here, but I honestly don't know.

7 THE COURT: Is that all you have?

8 MR. ACCETTA: Is it Abad?

9 MR. KLEIN; It is not Abad.

10 THE COURT: Is that all you have? You could
11 have told me that and I would have granted that.

12 Now what is your problem?

13 MR. SOVIERO: I don't know if your Honor is
14 aware, but as all of the defense witnesses have
15 testified this morning, your Honor, by facial
16 expressions --

17 THE COURT: Now, Mr. Soviero, I want you to
18 stop right there.

19 MR. SOVIERO: No. I am not going to stop.

20 THE COURT: Well, you are going to wait until
21 I have got something to say. That is the most
22 insulting thing that you have done so far in this case
23 because you know darn well that that is not so. It
24 is just a terrible thing. I have purposely, the
25 last several days, turned my chair, since Mr. Martine

2 1

C. Cardona

2

got excited about what I did with Mr. Cronin -- I have purposely made it my business not to even breathe.

3

4

And when I have coughed, I have put my hand up. And

5

if you are going to start finding ways -- you are

6

not going to tell me how to sit on the bench, whether

7

I should put my hand towards my cheek, or whether

8

I should put my hand under my chin, or whether I

9

should sit with my legs crossed.

10

MR. BRODSKY: This is not a side bar any longer.

11

MR. SOVIERO: May the record indicate that

12

your Honor is making the statement in front of the

13

jury.

14

THE COURT: Yes.

15

MR. SOVIERO: Let's do it in front of the jury

16

and we will both be heard in front of the jury.

17

THE COURT: Mr. Soviero, one more shot for you.

18

MR. SOVIERO: I am sorry, sir, I cannot stop

19

now. I cannot stop. Your Honor desires to give me

20

a shot, give me the shot.

21

THE COURT: You are liable to get it faster

22

than you think.

23

MR. SOVIERO: If your Honor please, I cannot

24

stop. I have a duty in this court to speak up.

25

THE COURT: Well, speak up side bar. I will

D 120
C. Cardona

let you speak to your heart's content.

MR. SOVIERO: Side bar?

THE COURT: Side bar.

MR. SOVIERO: It is no longer a side bar. This is in the presence of the jury. The jury is going to lunch anyway, if it please the Court and we can do it in court.

THE COURT: You will be going too. No, if you have got something to say side bar, say it side bar.

MR. BASHIAN: Can you possibly excuse the jury?

THE COURT: No.

Do you have something to say side bar -- really side bar -- between now and 1 o'clock?

MR. SOVIERO: Yes, I do, your Honor.

THE COURT: Please say it.

MR. SOVIERO: As I started to say before this became a non-side bar, your Honor has been making facial expressions all day indicating disbelief, indicating doubt, indicating incredulity of the testimony of the various witnesses. Your Honor has done this continually when the defense has presented its case.

I have noted it, if it please the Court, and

D 121
C. Cardona

I am observing your Honor.

Your Honor has also taken up the questioning with this last witness in a way and in a manner that would intend to seem that you are cross examining her. That you indicated you did not believe what she was saying. That you were trying to get to the point that she heard her husband say that he told Ortrud Kapraki that Ortrud Kapraki's story should gibe with his story to the FBI.

And she didn't say that at all. But that is what your Honor tried to elicit from her.

Now, I object to this and I think it reflects on the whole defense.

And I further move for the withdrawal of a juror and the declaration of a mistrial for your Honor's repeated conduct and diatribes toward me in front of this jury, the last one of which was entirely unnecessary, because we were at side bar.

Your Honor has continually threatened me with contempt before this jury. You have demeaned me before the jury --

THE COURT: Let me tell you --

MR. SOVIERO: -- you have made it extremely difficult for me to gain any stature in their eyes

C. Cardona

and very difficult for me, I might add, if it please, the Court, to exercise objections that I think should be exercised on behalf of my client. And you notice I said difficult, not impossible.

THE COURT: I have never stopped you from exercising your objections. You object every two minutes and I have let you do so.

And I have either ruled for you or against you.

Now as far as your remarks concerning my facial expressions, I do not think I will even deign to answer you because it is absolutely incredulous. And to me it is astounding. And no one is going to tell me what position I have to take when I sit on the bench.

MR. SOVIERO: Your Honor actually snorted at one point.

THE COURT: What is that?

MR. SOVIERO: Your Honor had actually snorted at one question that Mr. Klein asked. He asked if it was possible that the check could have been post-dated, and your Honor went, "chorch" and then tried to cover it with a cough.

Now if that is not indicating things before

1 C. Cardona

2 this jury that shouldn't be indicated --

3 THE COURT: I am not going to indulge in your
4 fantasies.

5 MR. SOVIERO: It is not a fantasy. I observed
6 it.

7 THE COURT: As far as I am concerned, your
8 statements are complete fantasies of your own mind
9 and I do not even deign to answer them. I do not
10 think they should be answered except to deny your
11 motion.

12 Now, did you want to say something side bar?

13 MR. DE PETRIS: I had a motion to make, your
14 Honor.

15 THE COURT: Yes.

16 MR. DE PETRIS: During the course of the
17 questioning by Mr. Klein of the witness about a
18 conversation she had when Kapraki was present. There
19 was some reference made in answer to one of the
20 questions --

21 MR. KLEIN: Of the Court.

22 MR. DE PETRIS: It may have been the Court.
23 I am not sure who. But in answering the question,
24 do you know what the conversation was with Kapraki,
25 she made a reference to the conversation her husband

1 C. Cardona

2 had had with Sniegocki.

3 THE COURT: Yes.

4 MR. DE PETRIS: I move at this time to strike
5 that answer, the reference to the conversation her
6 husband had with Sniegocki.

7 THE COURT: Well, did she testify to a
8 conversation between them? She said that he had
9 talked to her husband --

10 MR. DE PETRIS: She said something about having
11 wanted Kapraki to see her without the lawyer -- She
12 made some reference to the fact that Sniegocki had
13 told her husband something about Kapraki seeing the
14 FBI without a lawyer.

15 THE COURT: No, I don't think she said that.
16 She said that Mr. Cardona told Mrs. Kapraki that she
17 should see the FBI without her lawyer.

18 MR. DE PETRIS: But then she went on after
19 she said that and made a reference to the conversation
20 her husband had with Sniegocki.

21 MR. BASHIAN: What she said was, according
22 to what Mr. Sniegocki had told her.

23 THE COURT: Well, that part I would strike out,
24 if it was in reference to that.

25 MR. WALL: Before the Court has ruled, may I

D 125

C. Cardona

be heard?

THE COURT: Please.

MR. WALL: As I understood the testimony, she was saying that her husband told Mrs. Kapraki to speak to the FBI in the absence of counsel as Mr. Sniegocki had said --

THE COURT: No, no.

MR. WALL: That was the testimony.

MR. DE PETRIS: No.

THE COURT: I was trying to clarify it. I thought I was trying to clarify it.

MR. KLEIN: Your Honor, the matter is moot because the objection has not been timely made.

THE COURT: He is moving to strike that portion and I will grant it, just that portion.

If you can point to it, I would like you to point to it maybe tomorrow morning, in the exact minutes, because that is the point I was trying to clarify.

MR. WALL: It may be clearer when we have the minutes.

THE COURT: Yes, when we see the minutes.

Okay.

MR. KLEIN: 2 o'clock, your Honor?

1 C. Cardona

2 THE COURT: Yes.

3 (The following occurred in open court:)

4 THE COURT: All right, ladies and gentlemen
5 of the jury, since it is past one o'clock hour,
6 we will recess for lunch.

7 Remember the admonition. And if you overheard
8 anything, and I'm sure you probably did, that is,
9 some of the discussion that occurred at side bar,
10 ignore it and forget it. You never heard anything,
11 because I have told you so many times that the side
12 bar is something that goes on between the Court and
13 counsel. You are to draw no conclusions or to draw
14 any inferences from anything that you may have heard.

15 Okay, enjoy your lunch. Remember the admonition.

16 2 o'clock.

17 (Thereupon at 1 o'clock, the luncheon recess
18 was taken to 2 o'clock P.M.)
19
20
21
22
23
24
25



AFFIDAVIT OF MAILING

STATE OF NEW YORK
COUNTY OF KINGS
EASTERN DISTRICT OF NEW YORK } ss
LYDIA FERNANDEZ

being duly sworn,
deposes and says that he is employed in the office of the United States Attorney for the Eastern District of New York.

two copies
That on the 9th day of May 1975 he served ~~copy~~ of the within
Joint Supplemental Appendix - Volume VII- Pages D-1 to D-126

by placing the same in a properly postpaid franked envelope addressed to:
Frank Raichle, Esq., 10 Lafayette Square, Buffalo, N. Y. 14203; Henry J.
Boitel, Esq., 233 Broadway, New York, N. Y. 10007; and John A. Kiser,
Esq., 36 West 44th Street, New York, N. Y. 10036.

and deponent further says that he sealed the said envelope and placed the same in the mail chute drop for mailing in the United States Court House, Washington Street, Borough of Brooklyn, County of Kings, City of New York.

Lydia Fernandez
LYDIA FERNANDEZ

Sworn to before me this
9th day of May 19 75

Alfred S. Morgan
ALFRED S. MORGAN
Notary Public, State of New York
No. 211501966
Qualified in Kings County
Commission Expires March 30, 1977